
ASSEMBLY BILL NO. 77—COMMITTEE ON REVENUE

(ON BEHALF OF THE OFFICE OF ECONOMIC DEVELOPMENT
IN THE OFFICE OF THE GOVERNOR)

PREFILED NOVEMBER 20, 2024

Referred to Committee on Revenue

SUMMARY—Revises provisions governing tax abatements for certain businesses. (BDR 32-282)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; revising criteria governing the approval of an application for certain partial abatements of taxes; authorizing the Office of Economic Development to deny an application for certain partial abatements of taxes if the Office determines that the denial of an application is in the best interests of the State; authorizing businesses that recycle certain materials or produce certain fuels from recycled materials to apply to the Office for a partial abatement of certain taxes on real property; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes a person who intends to locate or expand a business in
2 this State to apply to the Office of Economic Development for a partial abatement
3 of certain property taxes, business taxes and sales and use taxes. The Office is
4 required to approve an application for such a partial abatement if the Office
5 determines that the business applying for the partial abatement satisfies certain
6 criteria. (NRS 360.750) **Section 2** of this bill revises one of the eligibility criteria
7 by requiring a business that is anticipated to have at least 500 full-time employees
8 on the payroll of the business within a certain period, rather than 50 such
9 employees, to comply with the requirement to have a policy for paid family and
10 medical leave for employees. **Section 2** also removes a prohibition on the approval
11 of a partial abatement for an applicant who intends to expand a business and who
12 has already received a partial abatement for expanding that business, thereby



13 authorizing a business to obtain a partial abatement for multiple expansions of a
14 business. (NRS 360.750)

15 Another eligibility criteria for a business to qualify for a partial abatement is
16 that the business offers primary jobs, which are jobs at a business location in this
17 State where at least half of the revenue generated at that business location is
18 derived from exports to locations outside of this State. (NRS 360.750; NAC
19 231.363) **Section 2** revises this determination by authorizing the approval of a
20 partial abatement for a business that: (1) offers import substitution jobs, which are
21 generally defined as jobs at a business location in this State where certain goods or
22 services are manufactured, produced or sold in this State and reduce the amount of
23 such goods or services imported into this State from outside this State; or (2) is a
24 provider of specialty health care or a provider of health care in a rural area, except
25 that the amount of the partial abatement is greater for such providers who are
26 providers of services under Medicaid. **Sections 1, 5 and 6** of this bill similarly
27 expand the eligibility criteria for certain partial abatements of taxes to authorize a
28 business to obtain such a partial abatement by offering import substitution jobs.
29 **Sections 7, 8 and 9** of this bill revise reporting requirements relating to businesses
30 awarded partial abatements of taxes to include, in addition to information on
31 primary jobs, information on the number of import substitution jobs, jobs with a
32 provider of specialty health care and jobs with a provider of health care in a rural
33 area. **Section 10** of this bill expands eligibility for certain grants from the Office for
34 workforce training programs to include programs providing training for import
35 substitution jobs and jobs in specialty health care or health care in a rural area.

36 **Sections 2, 3 and 4** of this bill authorize the Office to deny an application for a
37 partial abatement for a new or expanding business if the Office determines that
38 denying the application is in the best interests of the State.

39 Existing law authorizes the Office to approve a partial abatement from the taxes
40 imposed on real property for a business that: (1) either engages in the primary trade
41 of preparing, fabricating, manufacturing or otherwise processing raw material or an
42 intermediate product using a certain percentage of recycled material or includes as
43 a primary component a facility for the generation of electricity from recycled
44 material; and (2) has as its primary purpose the conservation of energy or the
45 substitution of other sources of energy for fossil sources of energy. (NRS
46 701A.210) **Section 11** of this bill authorizes the Office to grant such a partial
47 abatement of property taxes to a business that: (1) includes as a primary component
48 a facility for the production of biofuels, biomass or other primary fuels from
49 recycled material for use in the production of energy; or (2) primarily engages in
50 the recycling or repurposing of materials that were used to produce or store
51 renewable energy, including, without limitation, materials used in solar panels, or
52 waste materials resulting from the extraction of minerals.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 360 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *“Import substitution job” has the meaning ascribed to it in*
4 *NRS 360.750.*

5 **Sec. 2.** NRS 360.750 is hereby amended to read as follows:

6 360.750 1. A person who intends to locate or expand a
7 business in this State may apply to the Office of Economic



1 Development pursuant to this section for a partial abatement of one
2 or more of the taxes imposed on the:

3 (a) New business pursuant to chapter 361, 363B or 374 of NRS.

4 (b) Expanded business pursuant to chapter 361 or 363B of NRS
5 or a partial abatement of the local sales and use taxes imposed on
6 the expanded business. As used in this paragraph, "local sales and
7 use taxes" means the taxes imposed on the gross receipts of any
8 retailer from the sale of tangible personal property sold at retail, or
9 stored, used or otherwise consumed, in the political subdivision in
10 which the business is to be located or expanded, except the taxes
11 imposed by the Sales and Use Tax Act and the Local School
12 Support Tax Law.

13 2. The Office of Economic Development shall approve an
14 application for a partial abatement pursuant to this section if the
15 Office makes the following determinations:

16 (a) The business ~~offers~~:

17 (1) *Offers* primary jobs *or import substitution jobs or is a*
18 *provider of specialty health care or a provider of health care in a*
19 *rural area;* and ~~is~~

20 (2) *Is* consistent with:

21 ~~(1)~~ (I) The State Plan for Economic Development
22 developed by the Executive Director of the Office of Economic
23 Development pursuant to subsection 2 of NRS 231.053; and

24 ~~(2)~~ (II) Any guidelines adopted by the Executive Director
25 of the Office to implement the State Plan for Economic
26 Development.

27 (b) Not later than 1 year after the date on which the application
28 was received by the Office, the applicant has executed an agreement
29 with the Office which must:

30 (1) Comply with the requirements of NRS 360.755;

31 (2) State the date on which the abatement becomes effective,
32 as agreed to by the applicant and the Office, which must not be
33 earlier than the date on which the Office received the application
34 and not later than 1 year after the date on which the Office approves
35 the application;

36 (3) State that the business will, after the date on which the
37 abatement becomes effective, continue in operation in this State for
38 a period specified by the Office, which must be at least 5 years, and
39 will continue to meet the eligibility requirements set forth in this
40 subsection;

41 (4) State that the business will ~~offer~~:

42 (I) *Offer* primary jobs ~~is~~ *or import substitution jobs; or*

43 (II) *Be a provider of specialty health care or a provider*
44 *of health care in a rural area;* and



1 (5) Bind the successors in interest of the business for the
2 specified period.

3 (c) The business is registered pursuant to the laws of this State
4 or the applicant commits to obtain a valid business license and all
5 other permits required by the county, city or town in which the
6 business operates.

7 (d) Except as otherwise provided in subsection 4, 5 or 6, the
8 average hourly wage that will be paid by the business to its new
9 employees in this State is at least 100 percent of the average
10 statewide hourly wage as established by the Employment Security
11 Division of the Department of Employment, Training and
12 Rehabilitation on July 1 of each fiscal year.

13 (e) The business will, by the eighth calendar quarter following
14 the calendar quarter in which the abatement becomes effective, offer
15 a health insurance plan for all employees that includes an option for
16 health insurance coverage for dependents of the employees, and the
17 health care benefits the business offers to its employees in this State
18 will meet the minimum requirements for health care benefits
19 established by the Office.

20 (f) Except as otherwise provided in this subsection and NRS
21 361.0687, if the business is a new business in a county whose
22 population is 100,000 or more or a city whose population is 60,000
23 or more, the business meets at least one of the following
24 requirements:

25 (1) The business will have 50 or more full-time employees
26 on the payroll of the business by the eighth calendar quarter
27 following the calendar quarter in which the abatement becomes
28 effective who will be employed at the location of the business in
29 that county or city until at least the date which is 5 years after the
30 date on which the abatement becomes effective.

31 (2) Establishing the business will require the business to
32 make, not later than the date which is 2 years after the date on which
33 the abatement becomes effective, a capital investment of at least
34 \$1,000,000 in this State in capital assets that will be retained at the
35 location of the business in that county or city until at least the date
36 which is 5 years after the date on which the abatement becomes
37 effective.

38 (g) Except as otherwise provided in NRS 361.0687, if the
39 business is a new business in a county whose population is less than
40 100,000, in an area of a county whose population is 100,000 or more
41 that is located within the geographic boundaries of an area that is
42 designated as rural by the United States Department of Agriculture
43 and at least 20 miles outside of the geographic boundaries of an area
44 designated as urban by the United States Department of Agriculture,



1 or in a city whose population is less than 60,000, the business meets
2 at least one of the following requirements:

3 (1) The business will have 10 or more full-time employees
4 on the payroll of the business by the eighth calendar quarter
5 following the calendar quarter in which the abatement becomes
6 effective who will be employed at the location of the business in
7 that county or city until at least the date which is 5 years after the
8 date on which the abatement becomes effective.

9 (2) Establishing the business will require the business to
10 make, not later than the date which is 2 years after the date on which
11 the abatement becomes effective, a capital investment of at least
12 \$250,000 in this State in capital assets that will be retained at the
13 location of the business in that county or city until at least the date
14 which is 5 years after the date on which the abatement becomes
15 effective.

16 (h) If the business is an existing business, the business meets at
17 least one of the following requirements:

18 (1) For a business in:

19 (I) Except as otherwise provided in sub-subparagraph (II),
20 a county whose population is 100,000 or more or a city whose
21 population is 60,000 or more, the business will, by the eighth
22 calendar quarter following the calendar quarter in which the
23 abatement becomes effective, increase the number of employees on
24 its payroll in that county or city by 10 percent more than it
25 employed in the fiscal year immediately preceding the fiscal year in
26 which the abatement becomes effective or by twenty-five
27 employees, whichever is greater, who will be employed at the
28 location of the business in that county or city until at least the date
29 which is 5 years after the date on which the abatement becomes
30 effective; or

31 (II) A county whose population is less than 100,000, an
32 area of a county whose population is 100,000 or more that is located
33 within the geographic boundaries of an area that is designated as
34 rural by the United States Department of Agriculture and at least 20
35 miles outside of the geographic boundaries of an area designated as
36 urban by the United States Department of Agriculture, or a city
37 whose population is less than 60,000, the business will, by the
38 eighth calendar quarter following the calendar quarter in which the
39 abatement becomes effective, increase the number of employees on
40 its payroll in that county or city by 10 percent more than it
41 employed in the fiscal year immediately preceding the fiscal year in
42 which the abatement becomes effective or by six employees,
43 whichever is greater, who will be employed at the location of the
44 business in that county or city until at least the date which is 5 years
45 after the date on which the abatement becomes effective.



(2) The business will expand by making a capital investment in this State, not later than the date which is 2 years after the date on which the abatement becomes effective, in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective, and the capital investment will be in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective. The determination of the value of the tangible property possessed by the business in the immediately preceding fiscal year must be made by the:

(I) County assessor of the county in which the business will expand, if the business is locally assessed; or

(II) Department, if the business is centrally assessed.

(i) The applicant has provided in the application an estimate of the total number of new employees which the business anticipates hiring in this State by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective if the Office approves the application.

(j) Except as otherwise provided in subsection 3, if the business ~~will~~ *is anticipated to* have at least ~~50~~ *500* full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, the business, by the earlier of the eighth calendar quarter following the calendar quarter in which the abatement becomes effective or the date on which the business has at least ~~50~~ *500* full-time employees on the payroll of the business, has a policy for paid family and medical leave and agrees that all employees who have been employed by the business for at least 1 year will be eligible for at least 12 weeks of paid family and medical leave at a rate of at least 55 percent of the regular wage of the employee. The business ~~will~~ *must* agree in writing that if the Office approves the application, the business will not:

(1) Prohibit, interfere with or otherwise discourage an employee from taking paid family and medical leave ~~is~~ *under a policy for paid family and medical leave:*

(I) For any reason authorized pursuant to the Family and Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

(II) To care for any adult child, sibling or domestic partner of the employee.

(2) Discriminate, discipline or discharge an employee for taking paid family and medical leave ~~is~~ *under a policy for paid family and medical leave:*



1 (I) For any reason authorized pursuant to the Family and
2 Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

3 (II) To care for any adult child, sibling or domestic
4 partner of the employee.

5 (3) Prohibit, interfere with or otherwise discourage an
6 employee or other person from bringing a proceeding or testifying
7 in a proceeding against the business for a violation of the policy for
8 paid family and medical leave that is required pursuant to this
9 paragraph.

10 3. For purposes of paragraph (j) of subsection 2, the Office of
11 Economic Development shall determine that a business meets the
12 requirements of that paragraph if the business has a policy for paid
13 family and medical leave for employees on the payroll of the
14 business outside of this State that meets or exceeds the requirements
15 for a policy for paid family and medical leave pursuant to that
16 paragraph and the business agrees in writing that its employees on
17 the payroll in this State are eligible for paid family and medical
18 leave under such policy.

19 4. Notwithstanding the provisions of subsection 2, the Office
20 of Economic Development:

21 (a) Shall not consider an application for a partial abatement
22 pursuant to this section unless the Office has requested a letter of
23 acknowledgment of the request for the abatement from any affected
24 county, school district, city or town.

25 (b) Shall consider the level of health care benefits provided by
26 the business to its employees, the policy of paid family and medical
27 leave provided by the business to its employees, the projected
28 economic impact of the business and the projected tax revenue of
29 the business after deducting projected revenue from the abated
30 taxes.

31 (c) May, if the Office determines that such action is necessary:

32 (1) Approve an application for a partial abatement pursuant
33 to this section by a business that does not meet the requirements set
34 forth in paragraph (f), (g) or (h) of subsection 2;

35 (2) Make any of the requirements set forth in paragraphs (d)
36 to (h), inclusive, of subsection 2 more stringent; or

37 (3) Add additional requirements that a business must meet to
38 qualify for a partial abatement pursuant to this section.

39 *(d) May deny an application if the Office determines that*
40 *denying the application is in the best interests of the State.*

41 5. Notwithstanding any other provision of law, the Office of
42 Economic Development shall not approve an application for a
43 partial abatement pursuant to this section if:

44 (a) The applicant intends to locate or expand in a county in
45 which the rate of unemployment is 7 percent or more and the



1 average hourly wage that will be paid by the applicant to its new
2 employees in this State is less than 70 percent of the average
3 statewide hourly wage, as established by the Employment Security
4 Division of the Department of Employment, Training and
5 Rehabilitation on July 1 of each fiscal year.

6 (b) The applicant intends to locate or expand in a county in
7 which the rate of unemployment is less than 7 percent and the
8 average hourly wage that will be paid by the applicant to its new
9 employees in this State is less than 85 percent of the average
10 statewide hourly wage, as established by the Employment Security
11 Division of the Department of Employment, Training and
12 Rehabilitation on July 1 of each fiscal year.

13 (c) The applicant intends to locate in a county but has already
14 received a partial abatement pursuant to this section for locating that
15 business in that county.

16 (d) ~~The applicant intends to expand in a county but has already~~
17 ~~received a partial abatement pursuant to this section for expanding~~
18 ~~that business in that county.~~

19 ~~(e)~~ The applicant has changed the name or identity of the
20 business to evade the provisions of paragraph (c). ~~for (d).~~

21 6. Notwithstanding any other provision of law, if the Office of
22 Economic Development approves an application for a partial
23 abatement pursuant to this section, in determining the types of taxes
24 imposed on a new or expanded business for which the partial
25 abatement will be approved and the amount of the partial abatement:

26 (a) If the new or expanded business is located in a county in
27 which the rate of unemployment is 7 percent or more and the
28 average hourly wage that will be paid by the business to its new
29 employees in this State is less than 85 percent of the average
30 statewide hourly wage, as established by the Employment Security
31 Division of the Department of Employment, Training and
32 Rehabilitation on July 1 of each fiscal year, the Office shall not:

33 (1) Approve an abatement of the taxes imposed pursuant to
34 chapter 361 of NRS which exceeds 25 percent of the taxes on
35 personal property payable by the business each year.

36 (2) Approve an abatement of the taxes imposed pursuant to
37 chapter 363B of NRS which exceeds 25 percent of the amount of
38 tax otherwise due pursuant to NRS 363B.110.

39 (b) If the new or expanded business is located in a county in
40 which the rate of unemployment is less than 7 percent and the
41 average hourly wage that will be paid by the business to its new
42 employees in this State is less than 100 percent of the average
43 statewide hourly wage, as established by the Employment Security
44 Division of the Department of Employment, Training and
45 Rehabilitation on July 1 of each fiscal year, the Office shall not:



1 (1) Approve an abatement of the taxes imposed pursuant to
2 chapter 361 of NRS which exceeds 25 percent of the taxes on
3 personal property payable by the business each year.

4 (2) Approve an abatement of the taxes imposed pursuant to
5 chapter 363B of NRS which exceeds 25 percent of the amount of
6 tax otherwise due pursuant to NRS 363B.110.

7 *(c) If the new or expanded business is a provider of specialty
8 health care or a provider of health care in a rural area and the
9 provider of specialty health care or provider of health care in a
10 rural area is not a provider of services under the State Plan for
11 Medicaid, the Office shall not:*

12 *(1) Approve an abatement of the taxes imposed pursuant to
13 chapter 361 of NRS which exceeds 25 percent of the taxes on
14 personal property payable by the business each year.*

15 *(2) Approve an abatement of the taxes imposed pursuant to
16 chapter 363B of NRS which exceeds 25 percent of the amount of
17 tax otherwise due pursuant to NRS 363B.110.*

18 *(d) If the new or expanded business is a provider of specialty
19 health care or a provider of health care in a rural area and the
20 provider of specialty health care or provider of health care in a
21 rural area is a provider of services under the State Plan for
22 Medicaid:*

23 *(1) Any abatement of the taxes imposed pursuant to chapter
24 361 of NRS that is approved by the Office must be not less than 25
25 percent of the taxes on personal property payable by the business
26 each year and not exceed 50 percent of the taxes on personal
27 property payable by the business each year.*

28 *(2) Any abatement of the taxes imposed pursuant to chapter
29 363B of NRS that is approved by the Office must be not less than
30 25 percent of the amount of tax otherwise due pursuant to NRS
31 363B.110 and not exceed 50 percent of the amount of tax
32 otherwise due pursuant to NRS 363B.110.*

33 7. If the Office of Economic Development approves an
34 application for a partial abatement pursuant to this section, the
35 Office shall immediately forward a certificate of eligibility for the
36 abatement to:

37 (a) The Department;

38 (b) The Nevada Tax Commission; and

39 (c) If the partial abatement is from the property tax imposed
40 pursuant to chapter 361 of NRS, the county treasurer.

41 8. An applicant for a partial abatement pursuant to this section
42 or an existing business whose partial abatement is in effect shall,
43 upon the request of the Executive Director of the Office of
44 Economic Development, furnish the Executive Director with copies



1 of all records necessary to verify that the applicant meets the
2 requirements of subsection 2.

3 9. If an applicant for a partial abatement pursuant to this
4 section fails to execute the agreement described in paragraph (b) of
5 subsection 2 within 1 year after the date on which the application
6 was received by the Office, the applicant shall not be approved for a
7 partial abatement pursuant to this section unless the applicant
8 submits a new application.

9 10. If a business whose partial abatement has been approved
10 pursuant to this section and is in effect ceases:

11 (a) To meet the requirements set forth in subsection 2; or

12 (b) Operation before the time specified in the agreement
13 described in paragraph (b) of subsection 2,

14 ➔ the business shall repay to the Department or, if the partial
15 abatement was from the property tax imposed pursuant to chapter
16 361 of NRS, to the county treasurer, the amount of the partial
17 abatement that was allowed pursuant to this section before the
18 failure of the business to comply unless the Nevada Tax
19 Commission determines that the business has substantially complied
20 with the requirements of this section. Except as otherwise provided
21 in NRS 360.232 and 360.320, the business shall, in addition to the
22 amount of the partial abatement required to be paid pursuant to this
23 subsection, pay interest on the amount due at the rate most recently
24 established pursuant to NRS 99.040 for each month, or portion
25 thereof, from the last day of the month following the period for
26 which the payment would have been made had the partial abatement
27 not been approved until the date of payment of the tax.

28 11. A county treasurer:

29 (a) Shall deposit any money that he or she receives pursuant to
30 subsection 10 in one or more of the funds established by a local
31 government of the county pursuant to NRS 354.6113 or 354.6115;
32 and

33 (b) May use the money deposited pursuant to paragraph (a) only
34 for the purposes authorized by NRS 354.6113 and 354.6115.

35 12. The Office of Economic Development may adopt such
36 regulations as the Office of Economic Development determines to
37 be necessary to carry out the provisions of this section and
38 NRS 360.755.

39 13. The Nevada Tax Commission:

40 (a) Shall adopt regulations regarding:

41 (1) The capital investment that a new business must make to
42 meet the requirement set forth in paragraph (f) or (g) of subsection
43 2; and

44 (2) Any security that a business is required to post to qualify
45 for a partial abatement pursuant to this section.



1 (b) May adopt such other regulations as the Nevada Tax
2 Commission determines to be necessary to carry out the provisions
3 of this section and NRS 360.755.

4 14. An applicant for a partial abatement pursuant to this section
5 who is aggrieved by a final decision of the Office of Economic
6 Development may petition for judicial review in the manner
7 provided in chapter 233B of NRS.

8 15. For the purposes of this section, an employee is a “full-time
9 employee” if he or she is in a permanent position of employment
10 and works an average of 30 hours per week during the applicable
11 period set forth in subsection 2.

12 **16. As used in this section:**

13 (a) *“Import substitution business” means a business that:*

14 (1) *Relocates to this State from a location outside of this*
15 *State or expands in this State; and*

16 (2) *Manufactures, produces or sells good or services that, at*
17 *the time an application for a partial abatement is submitted to the*
18 *Office of Economic Development pursuant to this section, is*
19 *imported into this State in significant quantities, as determined by*
20 *the Office of Economic Development;*

21 (3) *Operates in a sector of the economy that the Office of*
22 *Economic Development determines to be critical to the economic*
23 *security of this State, including, without limitation, critical*
24 *mineral processing, battery production and health care; and*

25 (4) *Closes gaps in supply chains, promotes local production*
26 *or reduces the outflow of capital from this State.*

27 (b) *“Import substitution job” means a position of employment*
28 *at a physical location of an import substitution business in this*
29 *State.*

30 (c) *“Provider of health care” has the meaning ascribed to it in*
31 *NRS 629.031.*

32 (d) *“Rural area” means a county whose population is less than*
33 *100,000.*

34 (e) *“Provider of specialty health care” means a provider of*
35 *health care that is focused on a specific area of medicine, a*
36 *specific type of symptom or a specific type of condition.*

37 **Sec. 3.** NRS 360.753 is hereby amended to read as follows:

38 360.753 1. An owner of a business or a person who intends
39 to locate or expand a business in this State may apply to the Office
40 of Economic Development pursuant to this section for a partial
41 abatement of one or more of:

42 (a) The personal property taxes imposed on an aircraft and the
43 personal property used to own, operate, manufacture, service,
44 maintain, test, repair, overhaul or assemble an aircraft or any
45 component of an aircraft; and



1 (b) The local sales and use taxes imposed on the purchase of
2 tangible personal property used to operate, manufacture, service,
3 maintain, test, repair, overhaul or assemble an aircraft or any
4 component of an aircraft.

5 2. Notwithstanding the provisions of any law to the contrary
6 and except as otherwise provided in subsections 3 and 4, the Office
7 of Economic Development shall approve an application for a partial
8 abatement if the Office makes the following determinations:

9 (a) Not later than 1 year after the date on which the application
10 was received by the Office, the applicant has executed an agreement
11 with the Office which:

12 (1) Complies with the requirements of NRS 360.755;

13 (2) States the date on which the abatement becomes
14 effective, as agreed to by the applicant and the Office, which must
15 not be earlier than the date on which the Office received the
16 application and not later than 1 year after the date on which the
17 Office approves the application;

18 (3) States that the business will, after the date on which a
19 certificate of eligibility for the partial abatement is issued pursuant
20 to subsection 5, continue in operation in this State for a period
21 specified by the Office, which must be not less than 5 years, and
22 will continue to meet the eligibility requirements set forth in this
23 subsection; and

24 (4) Binds any successor in interest of the applicant for the
25 specified period;

26 (b) The business is registered pursuant to the laws of this State
27 or the applicant commits to obtaining a valid business license and all
28 other permits required by the county, city or town in which the
29 business operates;

30 (c) The business owns, operates, manufactures, services,
31 maintains, tests, repairs, overhauls or assembles an aircraft or any
32 component of an aircraft;

33 (d) The average hourly wage that will be paid by the business to
34 its employees in this State during the period of partial abatement is
35 not less than 100 percent of the average statewide hourly wage as
36 established by the Employment Security Division of the Department
37 of Employment, Training and Rehabilitation on July 1 of each fiscal
38 year;

39 (e) The business will, by the eighth calendar quarter following
40 the calendar quarter in which the abatement becomes effective, offer
41 a health insurance plan for all employees that includes an option for
42 health insurance coverage for dependents of the employees, and the
43 health care benefits the business offers to its employees in this State
44 will meet the minimum requirements for health care benefits
45 established by the Office;



1 (f) If the business is:

2 (1) A new business, that it will have five or more full-time
3 employees on the payroll of the business within 1 year after
4 receiving its certificate of eligibility for a partial abatement; or

5 (2) An existing business, that it will increase its number of
6 full-time employees on the payroll of the business in this State by 3
7 percent or three employees, whichever is greater, within 1 year after
8 receiving its certificate of eligibility for a partial abatement;

9 (g) The business meets at least one of the following
10 requirements:

11 (1) The business will make a new capital investment of at
12 least \$250,000 in this State within 1 year after receiving its
13 certificate of eligibility for a partial abatement;

14 (2) The business will maintain and possess in this State
15 tangible personal property having a value of not less than
16 \$5,000,000 during the period of partial abatement;

17 (3) The business develops, refines or owns a patent or other
18 intellectual property, or has been issued a type certificate by the
19 Federal Aviation Administration pursuant to 14 C.F.R. Part 21; and

20 (h) If the application is for the partial abatement of the taxes
21 imposed by the Local School Support Tax Law, the application has
22 been approved by a vote of at least two-thirds of the members of the
23 Board of Economic Development created by NRS 231.033.

24 3. The Office of Economic Development:

25 (a) Shall approve or deny an application submitted pursuant to
26 this section and notify the applicant of its decision not later than 45
27 days after receiving the application.

28 (b) Must not:

29 (1) Consider an application for a partial abatement unless the
30 Office has requested a letter of acknowledgment of the request for
31 the partial abatement from any affected county, school district, city
32 or town and has complied with the requirements of NRS 360.757; or

33 (2) Approve a partial abatement for any applicant for a
34 period of more than 10 years.

35 *(c) May deny an application for a partial abatement if the*
36 *Office determines that denying the application is in the best*
37 *interests of the State.*

38 4. The Office of Economic Development must not approve a
39 partial abatement of personal property taxes for a business whose
40 physical property is collectively valued and centrally assessed
41 pursuant to NRS 361.320 and 361.3205.

42 5. If the Office of Economic Development approves an
43 application for a partial abatement pursuant to this section, the
44 Office shall immediately forward a certificate of eligibility for the
45 partial abatement to:



- 1 (a) The Department;
- 2 (b) The Nevada Tax Commission; and
- 3 (c) If the partial abatement is from personal property taxes, the
- 4 appropriate county treasurer.

5 6. An applicant for a partial abatement pursuant to this section
6 or an existing business whose partial abatement is in effect shall,
7 upon the request of the Executive Director of the Office of
8 Economic Development, furnish the Executive Director with copies
9 of all records necessary to verify that the applicant meets the
10 requirements of subsection 2.

11 7. If an applicant for a partial abatement pursuant to this
12 section fails to execute the agreement described in paragraph (a) of
13 subsection 2 within 1 year after the date on which the application
14 was received by the Office, the applicant shall not be approved for a
15 partial abatement pursuant to this section unless the applicant
16 submits a new application.

17 8. If a business whose partial abatement has been approved
18 pursuant to this section and whose partial abatement is in effect
19 ceases:

- 20 (a) To meet the requirements set forth in subsection 2; or
- 21 (b) Operation before the time specified in the agreement
22 described in paragraph (a) of subsection 2,
23 ↪ the business shall repay to the Department or, if the partial
24 abatement was from personal property taxes, to the appropriate
25 county treasurer, the amount of the partial abatement that was
26 allowed pursuant to this section before the failure of the business to
27 comply unless the Nevada Tax Commission determines that the
28 business has substantially complied with the requirements of this
29 section. Except as otherwise provided in NRS 360.232 and 360.320,
30 the business shall, in addition to the amount of the partial abatement
31 required to be repaid pursuant to this subsection, pay interest on the
32 amount due at the rate most recently established pursuant to NRS
33 99.040 for each month, or portion thereof, from the last day of the
34 month following the period for which the payment would have been
35 made had the partial abatement not been approved until the date of
36 payment of the tax.

37 9. The Office of Economic Development may adopt such
38 regulations as the Office determines to be necessary to carry out the
39 provisions of this section.

40 10. The Nevada Tax Commission may adopt such regulations
41 as the Commission determines are necessary to carry out the
42 provisions of this section.

43 11. An applicant for a partial abatement who is aggrieved by a
44 final decision of the Office of Economic Development may petition



1 a court of competent jurisdiction to review the decision in the
2 manner provided in chapter 233B of NRS.

3 12. As used in this section:

4 (a) "Aircraft" means any fixed-wing, rotary-wing or unmanned
5 aerial vehicle.

6 (b) "Component of an aircraft" means any:

7 (1) Element that makes up the physical structure of an
8 aircraft, or is affixed thereto;

9 (2) Mechanical, electrical or other system of an aircraft,
10 including, without limitation, any component thereof; and

11 (3) Raw material or processed material, part, machinery,
12 tool, chemical, gas or equipment used to operate, manufacture,
13 service, maintain, test, repair, overhaul or assemble an aircraft or
14 component of an aircraft.

15 (c) "Full-time employee" means a person who is in a permanent
16 position of employment and works an average of 30 hours per week
17 during the applicable period set forth in subparagraph (3) of
18 paragraph (a) of subsection 2.

19 (d) "Local sales and use taxes" means any taxes imposed on the
20 gross receipts of any retailer from the sale of tangible personal
21 property sold at retail, or stored, used or otherwise consumed, in any
22 political subdivision of this State, except the taxes imposed by the
23 Sales and Use Tax Act.

24 (e) "Personal property taxes" means any taxes levied on
25 personal property by the State or a local government pursuant to
26 chapter 361 of NRS.

27 **Sec. 4.** NRS 360.754 is hereby amended to read as follows:

28 360.754 1. A person who intends to locate or expand a data
29 center in this State may apply to the Office of Economic
30 Development pursuant to this section for a partial abatement of one
31 or more of the taxes imposed on the new or expanded data center
32 pursuant to chapter 361 or 374 of NRS.

33 2. The Office of Economic Development shall approve an
34 application for a partial abatement pursuant to this section if the
35 Office makes the following determinations:

36 (a) The application is consistent with the State Plan for
37 Economic Development developed by the Executive Director of the
38 Office of Economic Development pursuant to subsection 2 of NRS
39 231.053 and any guidelines adopted by the Executive Director of the
40 Office to implement the State Plan for Economic Development.

41 (b) Not later than 1 year after the date on which the application
42 was received by the Office, the applicant has executed an agreement
43 with the Office of Economic Development which must:

44 (1) Comply with the requirements of NRS 360.755;



1 (2) State the date on which the abatement becomes effective,
2 as agreed to by the applicant and the Office of Economic
3 Development, which must not be earlier than the date on which the
4 Office received the application and not later than 1 year after the
5 date on which the Office approves the application;

6 (3) State that the data center will, after the date on which the
7 abatement becomes effective, continue in operation in this State for
8 a period specified by the Office of Economic Development, which
9 must be at least 10 years, and will continue to meet the eligibility
10 requirements set forth in this subsection; and

11 (4) Bind the successors in interest of the applicant for the
12 specified period.

13 (c) The applicant is registered pursuant to the laws of this State
14 or the applicant commits to obtain a valid business license and all
15 other permits required by each county, city or town in which the
16 data center operates.

17 (d) If the applicant is seeking a partial abatement for a period of
18 not more than 10 years, the applicant meets the following
19 requirements:

20 (1) The data center will, by not later than the date that is 5
21 years after the date on which the abatement becomes effective, have
22 or have added 10 or more full-time employees who are residents of
23 Nevada and who will be employed at the data center and will
24 continue to employ 10 or more full-time employees who are
25 residents of Nevada at the data center until at least the date which is
26 10 years after the date on which the abatement becomes effective.

27 (2) Establishing or expanding the data center will require the
28 data center or any combination of the data center and one or more
29 colocated businesses to make in each county in this State in which
30 the data center is located, by not later than the date which is 5 years
31 after the date on which the abatement becomes effective, a
32 cumulative capital investment of at least \$25,000,000 in capital
33 assets that will be used or located at the data center.

34 (3) The average hourly wage that will be paid by the data
35 center to its employees in this State is at least 100 percent of the
36 average statewide hourly wage as established by the Employment
37 Security Division of the Department of Employment, Training and
38 Rehabilitation on July 1 of each fiscal year and:

39 (I) The data center will, by not later than the date which is
40 2 years after the date on which the abatement becomes effective,
41 provide a health insurance plan for all employees employed at the
42 data center that includes an option for health insurance coverage for
43 dependents of the employees; and

44 (II) The health care benefits provided to employees
45 employed at the data center will meet the minimum requirements for



1 health care benefits established by the Office of Economic
2 Development by regulation pursuant to subsection 13.

3 (4) At least 50 percent of the employees engaged in the
4 construction of the data center are residents of Nevada, unless
5 waived by the Executive Director of the Office of Economic
6 Development upon proof satisfactory to the Executive Director of
7 the Office of Economic Development that there is an insufficient
8 number of residents of Nevada available and qualified for such
9 employment.

10 (e) If the applicant is seeking a partial abatement for a period of
11 10 years or more but not more than 20 years, the applicant meets the
12 following requirements:

13 (1) The data center will, by not later than the date that is 5
14 years after the date on which the abatement becomes effective, have
15 or have added 50 or more full-time employees who are residents of
16 Nevada and who will be employed at the data center and will
17 continue to employ 50 or more full-time employees who are
18 residents of Nevada at the data center until at least the date which is
19 20 years after the date on which the abatement becomes effective.

20 (2) Establishing or expanding the data center will require the
21 data center or any combination of the data center and one or more
22 colocated businesses to make in each county in this State in which
23 the data center is located, by not later than the date which is 5 years
24 after the date on which the abatement becomes effective, a
25 cumulative capital investment of at least \$100,000,000 in capital
26 assets that will be used or located at the data center.

27 (3) The average hourly wage that will be paid by the data
28 center to its employees in this State is at least 100 percent of the
29 average statewide hourly wage as established by the Employment
30 Security Division of the Department of Employment, Training and
31 Rehabilitation on July 1 of each fiscal year and:

32 (I) The data center will, by not later than the date which is
33 2 years after the date on which the abatement becomes effective,
34 provide a health insurance plan for all employees employed at the
35 data center that includes an option for health insurance coverage for
36 dependents of the employees; and

37 (II) The health care benefits provided to employees
38 employed at the data center will meet the minimum requirements for
39 health care benefits established by the Office of Economic
40 Development by regulation pursuant to subsection 13.

41 (4) At least 50 percent of the employees engaged in the
42 construction of the data center are residents of Nevada, unless
43 waived by the Executive Director of the Office of Economic
44 Development upon proof satisfactory to the Executive Director of
45 the Office of Economic Development that there is an insufficient



1 number of residents of Nevada available and qualified for such
2 employment.

3 (f) The applicant has provided in the application an estimate of
4 the total number of new employees which the data center anticipates
5 hiring in this State if the Office of Economic Development approves
6 the application.

7 (g) If the applicant is seeking a partial abatement of the taxes
8 imposed by the Local School Support Tax Law, the application has
9 been approved by a vote of at least two-thirds of the members of the
10 Board of Economic Development created by NRS 231.033.

11 3. Notwithstanding the provisions of subsection 2, the Office
12 of Economic Development:

13 (a) Shall not consider an application for a partial abatement
14 pursuant to this section unless the Office of Economic Development
15 has requested a letter of acknowledgment of the request for the
16 abatement from each affected county, school district, city or town.

17 (b) Shall consider the level of health care benefits provided to
18 employees employed at the data center, the projected economic
19 impact of the data center and the projected tax revenue of the data
20 center after deducting projected revenue from the abated taxes.

21 (c) May, if the Office of Economic Development determines
22 that such action is necessary:

23 (1) Approve an application for a partial abatement pursuant
24 to this section by a data center that does not meet the requirements
25 set forth in paragraph (d) or (e) of subsection 2;

26 (2) Make the requirements set forth in paragraphs (d) and (e)
27 of subsection 2 more stringent; or

28 (3) Add additional requirements that an applicant must meet
29 to qualify for a partial abatement pursuant to this section.

30 *(d) May deny an application if the Office of Economic*
31 *Development determines that denying the application is in the best*
32 *interests of the State.*

33 4. If the Office of Economic Development approves an
34 application for a partial abatement pursuant to this section, the
35 Office shall immediately forward a certificate of eligibility for the
36 abatement to:

37 (a) The Department;

38 (b) The Nevada Tax Commission; and

39 (c) If the partial abatement is from the property tax imposed
40 pursuant to chapter 361 of NRS, the county treasurer of each county
41 in which the data center is or will be located.

42 5. If the Office of Economic Development approves an
43 application for a partial abatement pursuant to this section, the
44 Office may also approve a partial abatement of taxes for each
45 colocated business that enters into a contract to use or occupy, for a



1 period of at least 2 years, all or a portion of the new or expanded
2 data center. Each such collocated business shall obtain a state
3 business license issued by the Secretary of State. The percentage
4 amount of a partial abatement approved for a collocated business
5 pursuant to this subsection must not exceed the percentage amount
6 of the partial abatement approved for the data center. The duration
7 of a partial abatement approved for a collocated business pursuant to
8 this subsection must not exceed the duration of the contract or
9 contracts entered into between the collocated business and the data
10 center, including the duration of any contract or contracts extended
11 or renewed by the parties. If a collocated business ceases to meet the
12 requirements set forth in this subsection, the collocated business
13 shall repay the amount of the abatement that was allowed in the
14 same manner in which a data center is required by subsection 8 to
15 repay the Department or a county treasurer. If a data center ceases to
16 meet the requirements of subsection 2 or ceases operation before the
17 time specified in the agreement described in paragraph (b) of
18 subsection 2, any partial abatement approved for a collocated
19 business ceases to be in effect, but the collocated business is not
20 required to repay the amount of the abatement that was allowed
21 before the date on which the abatement ceases to be in effect. A data
22 center shall provide the Executive Director of the Office and the
23 Department with a list of the collocated businesses that are qualified
24 to receive a partial abatement pursuant to this subsection and shall
25 notify the Executive Director within 30 days after any change to the
26 list. The Executive Director shall provide the list and any updates to
27 the list to the Department and the county treasurer of each affected
28 county.

29 6. An applicant for a partial abatement pursuant to this section
30 or a data center whose partial abatement is in effect shall, upon the
31 request of the Executive Director of the Office of Economic
32 Development, furnish the Executive Director with copies of all
33 records necessary to verify that the applicant meets the requirements
34 of subsection 2.

35 7. If an applicant for a partial abatement pursuant to this
36 section fails to execute the agreement described in paragraph (b) of
37 subsection 2 within 1 year after the date on which the application
38 was received by the Office, the applicant shall not be approved for a
39 partial abatement pursuant to this section unless the applicant
40 submits a new application.

41 8. If a data center whose partial abatement has been approved
42 pursuant to this section and is in effect ceases:

- 43 (a) To meet the requirements set forth in subsection 2; or
- 44 (b) Operation before the time specified in the agreement
45 described in paragraph (b) of subsection 2,



1 ↪ the data center shall repay to the Department or, if the partial
2 abatement was from the property tax imposed pursuant to chapter
3 361 of NRS, to the county treasurer, the amount of the partial
4 abatement that was allowed pursuant to this section before the
5 failure of the data center to comply unless the Nevada Tax
6 Commission determines that the data center has substantially
7 complied with the requirements of this section. Except as otherwise
8 provided in NRS 360.232 and 360.320, the data center shall, in
9 addition to the amount of the partial abatement required to be repaid
10 pursuant to this subsection, pay interest on the amount due at the
11 rate most recently established pursuant to NRS 99.040 for each
12 month, or portion thereof, from the last day of the month following
13 the period for which the payment would have been made had the
14 partial abatement not been approved until the date of payment of the
15 tax.

16 9. A county treasurer:

17 (a) Shall deposit any money that he or she receives pursuant to
18 subsection 5 or 8 in one or more of the funds established by a local
19 government of the county pursuant to NRS 354.6113 or 354.6115;
20 and

21 (b) May use the money deposited pursuant to paragraph (a) only
22 for the purposes authorized by NRS 354.6113 and 354.6115.

23 10. An applicant for a partial abatement pursuant to this section
24 who is aggrieved by a final decision of the Office of Economic
25 Development may petition for judicial review in the manner
26 provided in chapter 233B of NRS.

27 11. For an employee to be considered a resident of Nevada for
28 the purposes of this section, a data center must maintain the
29 following documents in the personnel file of the employee:

30 (a) A copy of the current and valid Nevada driver's license of
31 the employee or a current and valid identification card for the
32 employee issued by the Department of Motor Vehicles;

33 (b) If the employee is a registered owner of one or more motor
34 vehicles in Nevada, a copy of the current motor vehicle registration
35 of at least one of those vehicles;

36 (c) Proof that the employee is a full-time employee; and

37 (d) Proof that the employee is covered by the health insurance
38 plan which the data center is required to provide pursuant to sub-
39 subparagraph (I) of subparagraph (3) of paragraph (d) of subsection
40 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of
41 subsection 2.

42 12. For the purpose of obtaining from the Executive Director
43 of the Office of Economic Development any waiver of the
44 requirements set forth in subparagraph (4) of paragraph (d) of
45 subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a



1 data center must submit to the Executive Director of the Office of
2 Economic Development written documentation of the efforts to
3 meet the requirements and documented proof that an insufficient
4 number of Nevada residents is available and qualified for
5 employment.

6 13. The Office of Economic Development:

7 (a) Shall adopt regulations relating to the minimum level of
8 health care benefits that a data center must provide to its employees
9 to meet the requirement set forth in paragraph (d) or (e) of
10 subsection 2;

11 (b) May adopt such other regulations as the Office determines to
12 be necessary to carry out the provisions of this section; and

13 (c) Shall not approve any application for a partial abatement
14 submitted pursuant to this section which is received on or after
15 January 1, 2036.

16 14. The Nevada Tax Commission:

17 (a) Shall adopt regulations regarding:

18 (1) The capital investment necessary to meet the requirement
19 set forth in paragraph (d) or (e) of subsection 2; and

20 (2) Any security that a data center is required to post to
21 qualify for a partial abatement pursuant to this section.

22 (b) May adopt such other regulations as the Nevada Tax
23 Commission determines to be necessary to carry out the provisions
24 of this section.

25 15. As used in this section, unless the context otherwise
26 requires:

27 (a) "Colocated business" means a person who enters into a
28 contract with a data center that is qualified to receive an abatement
29 pursuant to this section to use or occupy all or part of the data
30 center.

31 (b) "Data center" means one or more buildings located at one or
32 more physical locations in this State which house a group of
33 networked server computers for the purpose of centralizing the
34 storage, management and dissemination of data and information
35 pertaining to one or more businesses and includes any modular or
36 preassembled components, associated telecommunications and
37 storage systems and, if the data center includes more than one
38 building or physical location, any network or connection between
39 such buildings or physical locations.

40 (c) "Full-time employee" means a person who is in a permanent
41 position of employment and works an average of 30 hours per week
42 during the applicable period set forth in paragraph (d) or (e) of
43 subsection 2.



1 **Sec. 5.** NRS 360.880 is hereby amended to read as follows:
2 360.880 As used in NRS 360.880 to 360.896, inclusive, *and*
3 *section 1 of this act*, unless the context otherwise requires, the
4 words and terms defined in NRS 360.881 to 360.888, inclusive, *and*
5 *section 1 of this act* have the meanings ascribed to them in those
6 sections.

7 **Sec. 6.** NRS 360.889 is hereby amended to read as follows:
8 360.889 1. On behalf of a project, the lead participant in the
9 project may apply to the Office of Economic Development for:

10 (a) A certificate of eligibility for transferable tax credits which
11 may be applied to:

- 12 (1) Any tax imposed by chapters 363A and 363B of NRS;
- 13 (2) The gaming license fees imposed by the provisions of
14 NRS 463.370;
- 15 (3) Any tax imposed by chapter 680B of NRS; or
- 16 (4) Any combination of the fees and taxes described in
17 subparagraphs (1), (2) and (3).

18 (b) A partial abatement of property taxes, employer excise taxes
19 or local sales and use taxes, or any combination of any of those
20 taxes.

21 2. For a project to be eligible for the transferable tax credits
22 described in paragraph (a) of subsection 1 and the partial abatement
23 of the taxes described in paragraph (b) of subsection 1, the lead
24 participant in the project must, on behalf of the project:

25 (a) Submit an application that meets the requirements of
26 subsection 5;

27 (b) Provide documentation satisfactory to the Office that
28 approval of the application would promote the economic
29 development of this State and aid the implementation of the State
30 Plan for Economic Development developed by the Executive
31 Director of the Office pursuant to subsection 2 of NRS 231.053;

32 (c) Provide documentation satisfactory to the Office that the
33 participants in the project collectively will make a total new capital
34 investment of at least \$1 billion in this State within the 10-year
35 period immediately following approval of the application;

36 (d) Provide documentation satisfactory to the Office that the
37 participants in the project are engaged in a common business
38 purpose or industry;

39 (e) Provide documentation satisfactory to the Office that the
40 place of business of each participant is or will be located within the
41 geographic boundaries of the project site or sites;

42 (f) Provide documentation satisfactory to the Office that each
43 participant in the project is registered pursuant to the laws of this
44 State or commits to obtaining a valid business license and all other



1 permits required by the county, city or town in which the project
2 operates;

3 (g) Provide documentation satisfactory to the Office of the
4 number of employees engaged in the construction of the project;

5 (h) Provide documentation satisfactory to the Office of the
6 number of qualified employees employed or anticipated to be
7 employed at the project by the participants;

8 (i) Provide documentation satisfactory to the Office that each
9 employer engaged in the construction of the project provides a plan
10 of health insurance and that each employee engaged in the
11 construction of the project is offered coverage under the plan of
12 health insurance provided by his or her employer;

13 (j) Provide documentation satisfactory to the Office that each
14 participant in the project provides a plan of health insurance and that
15 each employee employed at the project by each participant is
16 offered coverage under the plan of health insurance provided by his
17 or her employer;

18 (k) Provide documentation satisfactory to the Office that at least
19 50 percent of the employees engaged in construction of the project
20 and 50 percent of the employees employed at the project are
21 residents of Nevada, unless waived by the Executive Director of the
22 Office upon proof satisfactory to the Executive Director of the
23 Office that there is an insufficient number of Nevada residents
24 available and qualified for such employment;

25 (l) Agree to provide the Office with a full compliance audit of
26 the participants in the project at the end of each fiscal year which:

27 (1) Shows the amount of money invested in this State by
28 each participant in the project;

29 (2) Shows the number of employees engaged in the
30 construction of the project and the number of those employees who
31 are residents of Nevada;

32 (3) Shows the number of employees employed at the project
33 by each participant and the number of those employees who are
34 residents of Nevada; and

35 (4) Is certified by an independent certified public accountant
36 in this State who is approved by the Office;

37 (m) Pay the cost of the audit required by paragraph (l);

38 (n) Enter into an agreement with the governing body of the city
39 or county in which the qualified project is located that:

40 (1) Requires the lead participant to pay the cost of any
41 engineering or design work necessary to determine the cost of
42 infrastructure improvements required to be made by the governing
43 body pursuant to an economic development financing proposal
44 approved pursuant to NRS 360.990; and



1 (2) Requires the lead participant to seek reimbursement for
2 any costs paid by the lead participant pursuant to subparagraph (1)
3 from the proceeds of bonds issued pursuant to NRS 360.991; and

4 (o) Meet any other requirements prescribed by the Office.

5 3. In addition to meeting the requirements set forth in
6 subsection 2, for a project located on more than one site in this State
7 to be eligible for the partial abatement of the taxes described in
8 paragraph (b) of subsection 1, the lead participant must, on behalf of
9 the project, submit an application that meets the requirements of
10 subsection 5 on or before June 30, 2019, and provide documentation
11 satisfactory to the Office that:

12 (a) The initial project will have a total of 500 or more full-time
13 employees employed at the site of the initial project and the average
14 hourly wage that will be paid to employees of the initial project in
15 this State is at least 120 percent of the average statewide hourly
16 wage as established by the Employment Security Division of the
17 Department of Employment, Training and Rehabilitation on July 1
18 of each fiscal year;

19 (b) Each participant in the project must be a subsidiary or
20 affiliate of the lead participant; and

21 (c) Each participant offers primary jobs *or import substitution*
22 *jobs* and:

23 (1) Except as otherwise provided in subparagraph (2),
24 satisfies the requirements of paragraph (f) or (g) of subsection 2 of
25 NRS 360.750, regardless of whether the business is a new business
26 or an existing business; and

27 (2) If a participant owns, operates, manufactures, services,
28 maintains, tests, repairs, overhauls or assembles an aircraft or any
29 component of an aircraft, that the participant satisfies the applicable
30 requirements of paragraph (f) or (g) of subsection 2 of
31 NRS 360.753.

32 ↪ If any participant is a data center, as defined in NRS 360.754, any
33 capital investment by that participant must not be counted in
34 determining whether the participants in the project collectively will
35 make a total new capital investment of at least \$1 billion in this
36 State within the 10-year period immediately following approval of
37 the application, as required by paragraph (c) of subsection 2.

38 4. In addition to meeting the requirements set forth in
39 subsection 2, a project is eligible for the transferable tax credits
40 described in paragraph (a) of subsection 1 only if the Interim
41 Finance Committee approves a written request for the issuance of
42 the transferable tax credits. Such a request may only be submitted
43 by the Office and only after the Office has approved the application
44 submitted for the project pursuant to subsection 2. The Interim
45 Finance Committee may approve a request submitted pursuant to



1 this subsection only if the Interim Finance Committee determines
2 that approval of the request:

3 (a) Will not impede the ability of the Legislature to carry out its
4 duty to provide for an annual tax sufficient to defray the estimated
5 expenses of the State for each fiscal year as set forth in Article 9,
6 Section 2 of the Nevada Constitution; and

7 (b) Will promote the economic development of this State and
8 aid the implementation of the State Plan for Economic Development
9 developed by the Executive Director of the Office pursuant to
10 subsection 2 of NRS 231.053.

11 5. An application submitted pursuant to subsection 2 must
12 include:

13 (a) A detailed description of the project, including a description
14 of the common purpose or business endeavor in which the
15 participants in the project are engaged;

16 (b) A detailed description of the location of the project,
17 including a precise description of the geographic boundaries of the
18 project site or sites;

19 (c) The name and business address of each participant in the
20 project, which must be an address in this State;

21 (d) A detailed description of the plan by which the participants
22 in the project intend to comply with the requirement that the
23 participants collectively make a total new capital investment of at
24 least \$1 billion in this State in the 10-year period immediately
25 following approval of the application;

26 (e) If the application includes one or more partial abatements, an
27 agreement executed by the Office with the lead participant in the
28 project not later than 1 year after the date on which the application
29 was received by the Office which:

30 (1) Complies with the requirements of NRS 360.755;

31 (2) States the date on which the partial abatement becomes
32 effective, as agreed to by the applicant and the Office, which must
33 not be earlier than the date on which the Office received the
34 application and not later than 1 year after the date on which the
35 Office approves the application;

36 (3) States that the project will, after the date on which a
37 certificate of eligibility for the partial abatement is approved
38 pursuant to NRS 360.893, continue in operation in this State for a
39 period specified by the Office; and

40 (4) Binds successors in interest of the lead participant for the
41 specified period; and

42 (f) Any other information required by the Office.

43 6. For an employee to be considered a resident of Nevada for
44 the purposes of this section, each participant in the project must



1 maintain the following documents in the personnel file of the
2 employee:

3 (a) A copy of the:

4 (1) Current and valid Nevada driver's license of the
5 employee originally issued by the Department of Motor Vehicles
6 more than 60 days before the hiring of the employee or a current and
7 valid identification card for the employee originally issued by the
8 Department of Motor Vehicles more than 60 days before the hiring
9 of the employee; or

10 (2) If the employee is a veteran of the Armed Forces of the
11 United States, a current and valid Nevada driver's license of the
12 employee or a current and valid identification card for the employee
13 issued by the Department of Motor Vehicles;

14 (b) If the employee is a registered owner of one or more motor
15 vehicles in Nevada, a copy of the current motor vehicle registration
16 of at least one of those vehicles;

17 (c) Proof that the employee is employed full-time and scheduled
18 to work for an average minimum of 30 hours per week; and

19 (d) Proof that the employee is offered coverage under a plan of
20 health insurance provided by his or her employer.

21 7. For the purpose of obtaining from the Executive Director of
22 the Office any waiver of the requirement set forth in paragraph (k)
23 of subsection 2, the lead participant in the project must submit to the
24 Executive Director of the Office written documentation of the
25 efforts to meet the requirement and documented proof that an
26 insufficient number of Nevada residents is available and qualified
27 for employment.

28 8. The Executive Director of the Office shall make available to
29 the public and post on the Internet website of the Office:

30 (a) Any request for a waiver of the requirements set forth in
31 paragraph (k) of subsection 2; and

32 (b) Any approval of such a request for a waiver that is granted
33 by the Executive Director of the Office.

34 9. The Executive Director of the Office shall post a request for
35 a waiver of the requirements set forth in paragraph (k) of subsection
36 2 on the Internet website of the Office within 3 days after receiving
37 the request and shall keep the request posted on the Internet website
38 for not less than 5 days. The Executive Director of the Office shall
39 ensure that the Internet website allows members of the public to post
40 comments regarding the request.

41 10. The Executive Director of the Office shall consider any
42 comments posted on the Internet website concerning any request for
43 a waiver of the requirements set forth in paragraph (k) of subsection
44 2 before making a decision regarding whether to approve the
45 request. If the Executive Director of the Office approves the request



1 for a waiver, the Executive Director of the Office must post the
2 approval on the Internet website of the Office within 3 days and
3 ensure that the Internet website allows members of the public to post
4 comments regarding the approval.

5 11. If an applicant for one or more partial abatements pursuant
6 to this section fails to execute the agreement described in paragraph
7 (e) of subsection 5 within 1 year after the date on which the
8 application was received by the Office, the applicant shall not be
9 approved for a partial abatement pursuant to this section unless the
10 applicant submits a new application.

11 **Sec. 7.** NRS 360.895 is hereby amended to read as follows:

12 360.895 1. The Office of Economic Development shall, on or
13 before October 1 of each year, prepare and submit to the Governor
14 and to the Director of the Legislative Counsel Bureau for transmittal
15 to the Legislature an annual report which includes:

16 (a) For the immediately preceding fiscal year:

17 (1) The number of applications submitted pursuant to
18 NRS 360.889;

19 (2) The number of qualified projects for which an application
20 was approved;

21 (3) The amount of transferable tax credits approved;

22 (4) The amount of transferable tax credits used;

23 (5) The amount of transferable tax credits transferred;

24 (6) The amount of transferable tax credits taken against each
25 allowable fee or tax, including the actual amount used and
26 outstanding, in total and for each qualified project;

27 (7) The number of partial abatements approved;

28 (8) The dollar amount of the partial abatements;

29 (9) The number of employees engaged in construction of
30 each qualified project who are residents of Nevada and the number
31 of employees employed by each participant in a qualified project
32 who are residents of Nevada;

33 (10) The number of qualified employees employed by each
34 participant in a qualified project and the total amount of wages paid
35 to those persons; and

36 (11) For each qualified project, an assessment of whether the
37 participants in the qualified project are making satisfactory progress
38 towards meeting the investment requirements necessary to support
39 the determination by the Office that the project is a qualified project.

40 (b) For each partial abatement from taxation that the Office
41 approved during the fiscal years which are 3 fiscal years, 6 fiscal
42 years, 10 fiscal years and 15 fiscal years immediately preceding the
43 submission of the report:

44 (1) The dollar amount of the partial abatement;



1 (2) The value of infrastructure included as an incentive for
2 the qualified project;

3 (3) The economic sector in which each participant in the
4 qualified project operates, the number of primary jobs *or import*
5 *substitution jobs* related to the qualified project, the average wage
6 paid to employees employed by the participants in the qualified
7 project and the assessed values of personal property and real
8 property of the qualified project; and

9 (4) Any other information that the Office determines to be
10 useful.

11 2. Except as otherwise provided in subsection 4, in addition to
12 the annual reports required to be prepared and submitted pursuant to
13 subsection 1, for the period beginning on December 19, 2015, and
14 ending on June 30, 2020, the Office shall, not less frequently than
15 every calendar quarter, prepare and submit to the Governor and the
16 Director of the Legislative Counsel Bureau for transmittal to the
17 Legislature a report which includes, for the immediately preceding
18 calendar quarter:

19 (a) The dollar amount of the partial abatements approved for the
20 lead participant in each qualified project;

21 (b) The number of employees engaged in construction of each
22 qualified project who are residents of Nevada and the number of
23 employees employed by each participant in each qualified project
24 who are residents of Nevada;

25 (c) The number of qualified employees employed by each
26 participant in each qualified project and the total amount of wages
27 paid to those persons;

28 (d) For each qualified project an assessment of whether the
29 participants in the qualified project are making satisfactory progress
30 towards meeting the investment requirements necessary to support
31 the determination by the Office that the project is a qualified project;
32 and

33 (e) Any other information requested by the Legislature.

34 3. Except as otherwise provided in subsection 4, in addition to
35 the annual reports required to be prepared and submitted pursuant to
36 subsection 1, for the period beginning on July 1, 2020, and ending
37 on June 30, 2025, the Office shall, not less frequently than every 6
38 months, prepare and submit to the Governor and the Director of the
39 Legislative Counsel Bureau for transmittal to the Legislature a
40 report which includes, for the immediately preceding 6 months, the
41 information required to be included in a report prepared and
42 submitted pursuant to subsection 2.

43 4. The Office is not required to prepare and submit the report
44 required by subsection 2 or 3 if, within 75 days after the end of the
45 period covered by the report:



1 (a) The Office receives an audit of the participants in the project
2 for the period that would have been covered by the report; and

3 (b) That audit contains the information required to be included
4 in the report pursuant to paragraphs (a) to (d), inclusive, of
5 subsection 2.

6 5. In addition to the reports required to be prepared and
7 submitted pursuant to subsections 1 and 2, the Office shall, upon
8 request, make available to the Legislature any information
9 concerning a qualified project or any participant in a qualified
10 project. The Office shall make available any information requested
11 pursuant to this subsection within the period specified in the request.

12 6. The Office shall provide to the Fiscal Analysis Division of
13 the Legislative Counsel Bureau a copy of any agreement entered
14 into by the Office and the lead participant not later than 30 days
15 after the agreement is executed.

16 7. Notwithstanding the provisions of any other specific statute,
17 the information requested by the Legislature pursuant to this section
18 may include information considered confidential for other purposes.
19 If such confidential information is requested, the Office shall make
20 the information available to the Fiscal Analysis Division of the
21 Legislative Counsel Bureau for confidential examination.

22 **Sec. 8.** NRS 360.975 is hereby amended to read as follows:

23 360.975 1. The Office of Economic Development shall, on or
24 before October 1 of each year, prepare and submit to the Governor
25 and to the Director of the Legislative Counsel Bureau for transmittal
26 to the Legislature an annual report which includes:

27 (a) For the immediately preceding fiscal year:

28 (1) The number of applications submitted pursuant to
29 NRS 360.945;

30 (2) The number of qualified projects for which an application
31 was approved;

32 (3) The amount of transferable tax credits approved;

33 (4) The amount of transferable tax credits used;

34 (5) The amount of transferable tax credits transferred;

35 (6) The amount of transferable tax credits taken against each
36 allowable fee or tax, including the actual amount used and
37 outstanding, in total and for each qualified project;

38 (7) The number of abatements approved;

39 (8) The dollar amount of the abatements;

40 (9) The number of employees engaged in construction of
41 each qualified project who are residents of Nevada and the number
42 of employees employed by each participant in a qualified project
43 who are residents of Nevada;



1 (10) The number of qualified employees employed by each
2 participant in a qualified project and the total amount of wages paid
3 to those persons; and

4 (11) For each qualified project, an assessment of whether the
5 participants in the qualified project are making satisfactory progress
6 towards meeting the investment requirements necessary to support
7 the determination by the Office that the project is a qualified project.

8 (b) For each abatement from taxation that the Office approved
9 during the fiscal years which are 3 fiscal years, 6 fiscal years, 10
10 fiscal years and 20 fiscal years immediately preceding the
11 submission of the report:

12 (1) The dollar amount of the abatement;

13 (2) The value of infrastructure included as an incentive for
14 the qualified project;

15 (3) The economic sector in which each participant in the
16 qualified project operates, the number of primary jobs *or import*
17 *substitution jobs* related to the qualified project, the average wage
18 paid to employees employed by the participants in the qualified
19 project and the assessed values of personal property and real
20 property of the qualified project; and

21 (4) Any other information that the Office determines to be
22 useful.

23 2. Except as otherwise provided in subsection 3, in addition to
24 the annual reports required to be prepared and submitted pursuant to
25 subsection 1, for the period beginning on July 1, 2017, and ending
26 on June 30, 2024, the Office shall, not less frequently than every 6
27 months, prepare and submit to the Governor and the Director of the
28 Legislative Counsel Bureau for transmittal to the Legislature a
29 report which includes, for the immediately preceding 6 months:

30 (a) The dollar amount of the abatements approved for the lead
31 participant in each qualified project;

32 (b) The number of employees engaged in construction of each
33 qualified project who are residents of Nevada and the number of
34 employees employed by each participant in each qualified project
35 who are residents of Nevada;

36 (c) The number of qualified employees employed by each
37 participant in each qualified project and the total amount of wages
38 paid to those persons;

39 (d) For each qualified project an assessment of whether the
40 participants in the qualified project are making satisfactory progress
41 towards meeting the investment requirements necessary to support
42 the determination by the Office that the project is a qualified project;
43 and

44 (e) Any other information requested by the Legislature.



1 3. The Office is not required to prepare and submit the report
2 required by subsection 2 if, within 75 days after the end of the
3 period covered by the report:

4 (a) The Office receives an audit of the participants in the project
5 for the period that would have been covered by the report; and

6 (b) That audit contains the information required to be included
7 in the report pursuant to paragraphs (a) to (d), inclusive, of
8 subsection 2.

9 4. In addition to the reports required to be prepared and
10 submitted pursuant to subsections 1 and 2, the Office shall, upon
11 request, make available to the Legislature any information
12 concerning a qualified project or any participant in a qualified
13 project. The Office shall make available any information requested
14 pursuant to this subsection within the period specified in the request.

15 5. The Office shall provide to the Fiscal Analysis Division of
16 the Legislative Counsel Bureau a copy of any agreement entered
17 into by the Office and the lead participant not later than 30 days
18 after the agreement is executed.

19 6. Notwithstanding the provisions of any other specific statute,
20 the information requested by the Legislature pursuant to this section
21 may include information considered confidential for other purposes.
22 If such confidential information is requested, the Office shall make
23 the information available to the Fiscal Analysis Division of the
24 Legislative Counsel Bureau for confidential examination.

25 **Sec. 9.** NRS 231.0685 is hereby amended to read as follows:

26 231.0685 **1.** The Office shall, on or before January 15 of each
27 odd-numbered year, prepare and submit to the Director of the
28 Legislative Counsel Bureau for transmission to the Legislature a
29 report concerning the abatements from taxation that the Office
30 approved pursuant to NRS 274.310, 274.320, 274.330, 360.750,
31 360.753 or 360.754. The report must set forth, for each abatement
32 from taxation that the Office approved during the fiscal years which
33 are 3 fiscal years and 6 fiscal years immediately preceding the
34 submission of the report:

35 ~~[1-]~~ (a) The dollar amount of the abatement;

36 ~~[2-]~~ (b) The location of the business for which the abatement
37 was approved;

38 ~~[3-]~~ (c) The value of infrastructure included as an incentive for
39 the business;

40 ~~[4-]~~ (d) If applicable, the number of employees that the business
41 for which the abatement was approved employs or will employ;

42 ~~[5-]~~ (e) Whether the business for which the abatement was
43 approved is a new business or an existing business;

44 ~~[6-]~~ (f) The *following information concerning the business:*



1 (1) *The* economic sector in which the business operates ~~the~~;

2 ~~the~~;

3 (2) *The* number of primary jobs , *import substitution jobs,*
4 *jobs with a provider of specialty health care and jobs with a*
5 *provider of health care in a rural area* related to the business ~~the~~
6 ;

7 (3) *The* average wage paid to employees of the business ;
8 and ~~the~~

9 (4) *The* assessed values of personal property and real
10 property of the business;

11 ~~7-~~ (g) Any information concerning whether the business for
12 which the abatement was approved participates or has participated
13 in a program of workforce development, as defined in NRS 231.146,
14 implemented by the Executive Director; and

15 ~~8-~~ (h) Any other information that the Office determines to be
16 useful.

17 *2. As used in this section:*

18 (a) *“Import substitution job” has the meaning ascribed to it in*
19 *NRS 360.750.*

20 (b) *“Provider of health care” has the meaning ascribed to it in*
21 *NRS 629.031.*

22 (c) *“Provider of specialty health care” has the meaning*
23 *ascribed to it in NRS 360.750.*

24 (d) *“Rural area” has the meaning ascribed to it in*
25 *NRS 360.750.*

26 **Sec. 10.** NRS 231.1467 is hereby amended to read as follows:

27 231.1467 1. A person who wishes to provide a program of
28 workforce recruitment, assessment and training may apply to the
29 Office for approval of the program. The application must be
30 submitted on a form prescribed by the Office.

31 2. Each application must include:

32 (a) The name, address, electronic mail address and telephone
33 number of the applicant;

34 (b) The name of each business for which the applicant will
35 provide the proposed program of workforce recruitment, assessment
36 and training;

37 (c) A statement of the objectives of the proposed program of
38 workforce recruitment, assessment and training;

39 (d) A description of the primary economic sector to be served by
40 the proposed program of workforce recruitment, assessment and
41 training;

42 (e) Evidence of workforce shortages within the industry to be
43 served by the proposed program of workforce recruitment,
44 assessment and training;



1 (f) Evidence that there is an insufficient number of existing
2 programs to develop the workforce needed for the industry to be
3 served by the proposed program of workforce recruitment,
4 assessment and training;

5 (g) A statement of the number and types of jobs with the
6 business for which the applicant will provide the proposed program
7 of workforce recruitment, assessment and training that are available
8 or will be available upon completion of the proposed program;

9 (h) A statement demonstrating the past performance of the
10 applicant in providing programs of workforce development,
11 including, without limitation:

12 (1) The number and type of credentials and certifications
13 issued by programs of workforce development provided by the
14 applicant; and

15 (2) The number of businesses successfully served by the
16 programs of workforce development provided by the applicant;

17 (i) A proposed plan for the provision of the proposed program of
18 workforce recruitment, assessment and training on a statewide basis;

19 (j) A list of facilities that will be used by the proposed program
20 of workforce recruitment, assessment and training;

21 (k) A projection of the number of primary jobs , *import*
22 *substitution jobs and jobs with a provider of specialty health care*
23 *or jobs with a provider of health care in a rural area* that will be
24 served by the proposed program of workforce recruitment,
25 assessment and training and the wages for those jobs;

26 (l) Evidence satisfactory to the Office that the proposed program
27 of workforce recruitment, assessment and training is consistent with
28 the unified state plan submitted by the Governor to the Secretary of
29 Labor pursuant to 29 U.S.C. § 3112;

30 (m) A workforce diversity action plan;

31 (n) The estimated cost of the proposed program of workforce
32 recruitment, assessment and training;

33 (o) A statement by the business for which the applicant will
34 provide the proposed program of workforce recruitment, assessment
35 and training, which commits the business to report to the Office
36 required performance metrics to enable the Office to comply with
37 NRS 231.1513;

38 (p) A report from each business for which the applicant will
39 provide the proposed program of workforce recruitment, assessment
40 and training, which sets forth the basis for any furloughs or layoffs
41 conducted by the business in the 12 months immediately preceding
42 the date of the application for the job categories related to the
43 proposed program of workforce recruitment, assessment and
44 training; and

45 (q) Any other information requested by the Executive Director.



1 3. Any program of workforce recruitment, assessment and
2 training approved by the Office pursuant to this section must:

3 (a) Include a workforce diversity action plan approved by the
4 Office;

5 (b) To the extent practicable, be provided on a statewide basis to
6 support the industrial and economic development of all geographic
7 areas of this State; and

8 (c) Result in a postsecondary or industry-recognized credential,
9 or an identifiable occupational skill that meets the applicable
10 industry standard.

11 4. The Office shall:

12 (a) Maintain on the Internet website of the Office a list of the
13 criteria for evaluating applications for approval of a program of
14 workforce recruitment, assessment and training;

15 (b) Ensure, through coordination with relevant state agencies
16 and by reviewing any notices required pursuant to the federal
17 Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§
18 2101 et. seq., and the regulations adopted pursuant thereto, that each
19 business for which an applicant that submitted an application
20 pursuant to this section will provide a program of workforce
21 recruitment, assessment and training:

22 (1) Is in compliance with the laws of this State pertaining to
23 the conduct of businesses and employers;

24 (2) Is not excluded from receiving contracts from the Federal
25 Government as a result of being debarred; and

26 (3) Has included in the report submitted pursuant to
27 paragraph (p) of subsection 2 the basis for each furlough or layoff
28 conducted in the 12 months immediately preceding the date of the
29 application for the job categories related to the proposed program of
30 workforce recruitment, assessment and training;

31 (c) Approve or disapprove each application for approval of a
32 program of workforce recruitment, assessment and training within
33 60 days after receiving a complete application; and

34 (d) Provide notice of the approval or disapproval of each
35 application to the applicant within 10 days after approving or
36 disapproving the application.

37 5. An authorized provider that provides a program of
38 workforce recruitment, assessment and training approved by the
39 Office pursuant to this section or the governing body of a local
40 government within the jurisdiction of which the authorized provider
41 will provide the program may apply to the Office for an allocation,
42 grant or loan of money to defray in whole or in part the cost of the
43 program. The application must be submitted on a form prescribed by
44 the Office.



1 6. The Office shall approve or deny each application for an
2 allocation, grant or loan of money submitted pursuant to subsection
3 5 within 45 days after receipt of the application. When considering
4 an application, the Office shall give priority to a program of
5 workforce recruitment, assessment and training that will provide
6 workforce development services to one or more businesses that:

7 (a) Provide high-skill and high-wage jobs to residents of this
8 State, as defined by the Board of Economic Development;

9 (b) Provide postsecondary or industry-recognized credentials or
10 identifiable skills meeting the applicable industry standard, which
11 are not otherwise offered or not otherwise offered at scale in this
12 State;

13 (c) Impart a course of study for not more than 12 months that
14 delivers skills that are needed in the workforce;

15 (d) To the greatest extent practicable, use materials that are
16 produced or bought in this State;

17 (e) Are consistent with the State Plan for Economic
18 Development developed by the Executive Director pursuant to
19 subsection 2 of NRS 231.053; and

20 (f) Are consistent with the unified state plan submitted by the
21 Governor to the Secretary of Labor pursuant to 29 U.S.C. § 3112.

22 7. An authorized provider may use money distributed pursuant
23 to this section:

24 (a) To provide curriculum development and instructional
25 services;

26 (b) To pay for equipment or technology necessary to conduct the
27 training;

28 (c) To pay training fees or tuition for the program of workforce
29 recruitment, assessment and training, which are not otherwise
30 covered by the program budget or other workforce development
31 funding;

32 (d) To promote the program of workforce recruitment,
33 assessment and training and for job recruiting and assessments
34 conducted through the program;

35 (e) To provide analysis of on-site training;

36 (f) To pay any costs relating to the rental of instructional
37 facilities, including, without limitation, utilities and costs relating to
38 the storage and transportation of equipment and supplies;

39 (g) To pay administrative and personnel costs, except that not
40 more than 10 percent of the money distributed pursuant to this
41 section is used for such purposes; and

42 (h) To pay any other costs, not including administrative and
43 personnel costs, necessary to effectively carry out the program of
44 workforce recruitment, assessment and training.



1 8. Equipment purchased with money distributed as a grant
2 pursuant to this section is the property of the Office. At the end of
3 the grant period, the Office may recapture the equipment for
4 redistribution to other programs of workforce recruitment,
5 assessment and training provided by an authorized provider.

6 9. A business in this State may apply to the Office to
7 participate in an approved program of workforce recruitment,
8 assessment and training provided by an authorized provider. The
9 application must be submitted on a form prescribed by the Office
10 and must include, without limitation:

11 (a) The name, address and telephone number of the business;

12 (b) Proof satisfactory to the Office that the business is consistent
13 with the State Plan for Economic Development developed by the
14 Executive Director pursuant to subsection 2 of NRS 231.053;

15 (c) A description of the number and types of jobs that the
16 business expects will be created as a result of its participation in
17 the program of workforce recruitment, assessment and training and
18 the wages the business expects to pay to persons employed in those
19 jobs;

20 (d) The types of services which will be provided to the business
21 through the program of workforce recruitment, assessment and
22 training;

23 (e) A workforce diversity action plan approved by the Office;
24 and

25 (f) Any other information required by the Office.

26 **10. As used in this section:**

27 (a) ***“Import substitution job” has the meaning ascribed to it in***
28 ***NRS 360.750.***

29 (b) ***“Provider of health care” has the meaning ascribed to it in***
30 ***NRS 629.031.***

31 (c) ***“Provider of specialty health care” has the meaning***
32 ***ascribed to it in NRS 360.750.***

33 (d) ***“Rural area” has the meaning ascribed to it in***
34 ***NRS 360.750.***

35 **Sec. 11.** NRS 701A.210 is hereby amended to read as follows:

36 701A.210 1. Except as otherwise provided in this section, ***the***
37 ***Office of Economic Development may grant a business a partial***
38 ***abatement from the taxes imposed on real property pursuant to***
39 ***chapter 361 of NRS if : {a:}***

40 (a) ~~{Business that engages}~~ ***The business:***

41 (1) ***Engages*** in the primary trade of preparing, fabricating,
42 manufacturing or otherwise processing raw material or an
43 intermediate product through a process in which at least 50 percent
44 of the material or product is recycled on-site; ~~{or~~

45 ~~—(b) Business that includes}~~



1 (2) *Includes* as a primary component a facility for the
2 generation of electricity from recycled material ~~;~~
3 ~~→ is found by the Office of Economic Development to have~~ or a
4 facility for the production of biofuels, biomass or other primary
5 fuels from recycled material; or

6 (3) *Primarily engages in the recycling or repurposing of*
7 *materials that were used to produce or store renewable energy,*
8 *including, without limitation, materials used in solar panels, or*
9 *waste materials resulting from the extraction of minerals;*

10 (b) *The Office finds that the business has* as a primary purpose
11 the conservation of energy, ~~for~~ the substitution of other sources of
12 energy for fossil sources of energy ~~and~~ or the advancement of the
13 environmental sustainability and energy goals of this State;

14 (c) *The business* obtains certification from the Office ~~of~~
15 ~~Economic Development~~ pursuant to NRS 360.750 ~~the Office~~
16 ~~may, if the~~; and

17 (d) *The business* ~~additionally~~ satisfies the requirements set
18 forth in subsection 2 of NRS 361.0687 . ~~grant to the business a~~
19 ~~partial abatement from the taxes imposed on real property pursuant~~
20 ~~to chapter 361 of NRS.~~

21 2. If a partial abatement from the taxes imposed on real
22 property pursuant to chapter 361 of NRS is approved by the Office
23 of Economic Development pursuant to NRS 360.750 for a business
24 described in subsection 1:

25 (a) The partial abatement must:

26 (1) Be for a duration of at least 1 year but not more than 10
27 years;

28 (2) Not exceed 50 percent of the taxes on real property
29 payable by the business each year; and

30 (3) Be administered and carried out in the manner set forth in
31 NRS 360.750.

32 (b) The Executive Director of the Office of Economic
33 Development shall notify the county assessor of the county in which
34 the business is located of the approval of the partial abatement,
35 including, without limitation, the duration and percentage of the
36 partial abatement that the Office granted. The Executive Director
37 shall, on or before April 15 of each year, advise the county assessor
38 of each county in which a business qualifies for a partial abatement
39 during the current fiscal year as to whether the business is still
40 eligible for the partial abatement in the next succeeding fiscal year.

41 3. The partial abatement provided in this section applies only
42 to the business for which certification was granted pursuant to NRS
43 360.750 and the property used in connection with that business. The
44 exemption does not apply to property in this State that is not related
45 to the business for which the certification was granted pursuant to



1 NRS 360.750 or to property in existence and subject to taxation
2 before the certification was granted.

3 4. As used in this section ~~[, "facility"]~~:

4 (a) *"Anaerobic digestion" means the breaking down of*
5 *organic waste using anaerobic bacteria to create biogas.*

6 (b) *"Biofuel" means any alcohol, ether, ester or other*
7 *chemical compound made from herbaceous plants, woody plants*
8 *or organic waste.*

9 (c) *"Biomass" means any organic matter that is available on a*
10 *renewable basis, including, without limitation:*

11 (1) *Agricultural crops and agricultural wastes and*
12 *residues;*

13 (2) *Wood and wood wastes and residues;*

14 (3) *Animal wastes;*

15 (4) *Municipal wastes; and*

16 (5) *Aquatic plants.*

17 (d) *"Facility for the generation of electricity from recycled*
18 *material" means a facility for the generation of electricity that uses*
19 *recycled material as its primary fuel, including material from:*

20 ~~[(a)]~~ (1) *Industrial or domestic waste, other than hazardous*
21 *waste, even though it includes a product made from oil, natural gas*
22 *or coal, such as plastics, asphalt shingles or tires;*

23 ~~[(b)]~~ (2) *Agricultural crops, whether terrestrial or aquatic, and*
24 *agricultural waste, such as manure and residue from crops; and*

25 ~~[(c)]~~ (3) *Municipal waste, such as sewage and sludge.*

26 ↪ *The term includes all the equipment in the facility used to process*
27 *and convert into electricity the energy derived from a recycled*
28 *material fuel.*

29 (e) *"Facility for the production of biofuels, biomass or other*
30 *primary fuels from recycled material" means a facility for the*
31 *production of biofuels, biomass or other primary fuels that uses*
32 *recycled material to produce biofuels, biomass or other primary*
33 *fuels for use in the generation of energy, including material from:*

34 (1) *Industrial or domestic waste, other than hazardous*
35 *waste, even though it includes a product made from oil, natural*
36 *gas or coal, such as plastics, asphalt shingles or tires;*

37 (2) *Agricultural crops, whether terrestrial or aquatic, and*
38 *agricultural waste, such as manure and residue from crops; and*

39 (3) *Municipal waste, such as sewage and sludge.*

40 ↪ *The term includes all the equipment in the facility used to*
41 *process and convert into biofuels, biomass or other primary fuels*
42 *the energy derived from a recycled material fuel and facilities for*
43 *the generation of electricity or biofuels, biomass or other primary*
44 *fuels through gasification and pyrolysis, anaerobic digestion, the*



1 *recovery of gas from landfills, modified microbial fuel cells,*
2 *triboelectric devices or the recycling of solar panels.*

3 (f) *“Gasification and pyrolysis” means the use of heat to*
4 *convert waste into synthesis gas.*

5 (g) *“Modified microbial fuel cell” means the use of*
6 *microorganisms to convert the chemical energy in organic waste*
7 *into electricity while simultaneously treating wastewater.*

8 (h) *“Recycled material” includes, without limitation, critical*
9 *materials, waste materials from the extraction of minerals and*
10 *products for the production or storage of renewable energy that*
11 *are recycled or repurposed.*

12 (i) *“Renewable energy”:*

13 (1) *Means:*

14 (I) *Biomass;*

15 (II) *Fuel cells;*

16 (III) *Geothermal energy;*

17 (IV) *Solar energy;*

18 (V) *Waterpower; and*

19 (VI) *Wind.*

20 (2) *Does not include coal, natural gas, oil, propane or any*
21 *other fossil fuel, or nuclear energy.*

22 (j) *“Triboelectric device” means a device that converts energy*
23 *from ambient vibrations into electricity.*

24 **Sec. 12.** The amendatory provisions of this act do not apply to
25 or otherwise affect any abatement of taxes approved by the Office of
26 Economic Development or any application for an abatement filed
27 with the Office before October 1, 2025.

28 **Sec. 13.** 1. This section and sections 1 to 12, inclusive, of
29 this act become effective on October 1, 2025.

30 2. Sections 1 and 5 to 7, inclusive, of this act expire by
31 limitation on June 30, 2032.

32 3. Section 3 of this act expires by limitation on June 30, 2035.

33 4. Section 8 of this act expires by limitation on June 30, 2036.

34 5. Section 4 of this act expires by limitation on December 31,
35 2056.



