Senate called to order at 9:14 a.m.
President Krolicki presiding.

REMARKS FROM THE FLOOR

[REMARKS TO BE PLACED IN FINAL JOURNAL]

Roll called.
All present.
Prayer by Senator Pat Spearman, Pastor of the Fellowship of Affirming Ministries.

Eternal God, father and mother of us all, creator of the universe and all that is good, we thank you first for this day that you have allowed us to see as we commemorate the bravery of public service personnel and service members who were dispatched to lands far away and for all of those who have continued to fight the fight against terrorism. We thank you for their bravery, and we thank you for their strength, and we thank you for their service. Let the light that shines through them be a light for us today. Help us to always remember that fearlessness is not the absence of fear, but the determination to face the danger in spite of it. Help us to remember those who are the least among us as we deliberate. Help us to remember – help us to remember – help us to remember why we are here. This we ask in your name.

AMEN.

Pledge of Allegiance to the Flag.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Denis moved that for the remainder of the Twenty-Eighth Special Session, the reading of the Journal be dispensed with, and the President and Secretary be authorized to make any necessary corrections and additions.

Motion carried.

Senator Denis moved that the Senate resolve itself into a Committee of the Whole for the purpose of considering Senate Bill No. 1, with Senator Denis serving as Chair and Senator Smith serving as Vice Chair.

Motion carried.

Mr. President announced that if there were no objections, the Senate would recess subject to the call of the Chair.
IN COMMITTEE OF THE WHOLE

At 9:28 a.m.
Senator Denis presiding.
Quorum present.

Senate Bill No. 1 considered.

The Committee of the Whole was addressed by Senator Denis, Chair; Barry Smith, Nevada Press Association; Constance Brooks, Nevada System of Higher Education; Craig Stevens, Nevada State Education Association; Randy Soltero, International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, Its Territories and Canada, Local 720; Steve Hill, Nevada Governor’s Office of Economic Development; Christopher G. Nielsen, Nevada Department of Taxation; Senator Goicoechea; Senator Kihuen; Senator Cegavske; Senator Jones; Senator Smith; Senator Ford; Senator Hutchison; Senator Manendo; Senator Kieckhefer; Senator Spearman; Senator Settelmeyer; Senator Atkinson; Senator Hardy; Rudy Malfabon, Nevada Department of Transportation; Senator Roberson; Senator Woodhouse; Danny Thompson, Nevada AFL-CIO; Ray Bacon, Nevada Manufacturers Association; Paul J. Enos, Nevada Trucking Association; Jack Mallory, International Union of Painters and Allied Trades, District Council No. 15; John Wagner; Matthew Parker, Brotherhood of Locomotive Engineers and Trainmen; Geoffrey Lawrence, Nevada Policy Research Institute; Ken Evans, Urban Chamber of Commerce.

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

Senator Denis moved that the Committee of the Whole recess until 1:30 p.m.
Motion carried.

Committee of the Whole in recess at 12:46 p.m.

IN COMMITTEE OF THE WHOLE

At 2:13 p.m.
Senator Denis presiding.
Quorum present.

Senate Bill No. 1 considered.

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

Senator Denis moved that the Committee of the Whole recess until the call of the Chair.
Motion carried.

Committee of the Whole in recess at 2:34 p.m.
IN COMMITTEE OF THE WHOLE

At 3:01 p.m.
Senator Denis presiding.
Quorum present.
Senate Bill No. 1 considered.

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

On the motion of Senator Settelmeyer and second by Senator Parks, the Committee did rise, return and report back to the Senate.

SENATE IN SESSION

At 4:00 p.m.
President Krolicki presiding.
Quorum present.

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, September 11, 2014

To the Honorable the Senate:
I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 1, 3.

SUSAN FURLONG
Chief Clerk of the Assembly

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 1.
Senator Smith moved that the bill be referred to the Committee of the Whole.
Motion carried.
Assembly Bill No. 3.
Senator Smith moved that the bill be referred to the Committee of the Whole.
Motion carried.

REMARKS FROM THE FLOOR

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

MOTIONS, RESOLUTIONS AND NOTICES

Senator Denis moved that the Senate resolve itself into a Committee of the Whole for the purpose of considering Assembly Bill Nos. 1 and 2, with Senator Denis serving as Chair and Senator Smith serving as Vice Chair.
Motion carried.

Mr. President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 4:03 p.m.
IN COMMITTEE OF THE WHOLE

At 4:04 p.m.
Senator Denis presiding.
Quorum present.

Assembly Bill No. 1 considered.

The Committee of the Whole was addressed by Senator Denis, Chair; Steve Hill, Nevada Governor’s Office of Economic Development; Senator Settelmeyer; Senator Atkinson; Tony Sanchez, Nevada Power, Nevada Energy and Sierra Pacific Power; Senator Goicoechea; Senator Kieckhefer; Senator Jones; Angie Sullivan.

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

Senator Denis moved that the Committee of the Whole recess until the call of the Chair.
Motion carried.

Committee of the Whole in recess at 4:28 p.m.

IN COMMITTEE OF THE WHOLE

At 4:37 p.m.
Senator Denis presiding.
Quorum present.

Assembly Bill No. 3 considered.

The Committee of the Whole was addressed by Senator Denis, Chair; Steve Hill, Nevada Governor’s Office of Economic Development; Scott J. Kipper, Insurance Commissioner; Senator Hammond; Senator Hutchison; Christopher G. Nielsen, Nevada Department of Taxation; Angie Sullivan.

On the motion of Senator Smith and second by Senator Roberson, the Committee of the Whole did rise, return and report back to the Senate.

SENATE IN SESSION

At 5:39 p.m.
President Krolicki presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. President:
Your Committee of the Whole, to which was referred Senate Bill No. 1, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee of the Whole, to which were referred Assembly Bill Nos. 1, 3, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MOISES DENIS, Chair
Senate Bill No. 1.
Bill read third time.
The following amendment was proposed by the Committee of the Whole:
Amendment No. 1.
Senator Smith moved the adoption of the amendment.
Remarks by Senator Smith.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 1.
Bill read third time.
Remarks by Senator Atkinson.
Thank you Mr. President. Assembly Bill No. 1 revises provisions in the Economic Development Electric Rate Rider Program by extending the term of the discounts from four to eight years and extending the required term of associated contracts from five to ten years. The limits on the allowable discounted electric rates are adjusted to account for the extension of the program.

As an additional criteria of eligibility, the measure adds a requirement for the Governor's Office on Economic Development to determine whether the approval of an application is in the best interests of the State.

Finally, the bill provides that the amendments apply prospectively and do not affect any existing contracts. The bill is effective upon passage and approval.

Roll call on Assembly Bill No. 1:
YEAS—21.
NAYS—None.

Assembly Bill No. 1 having received a constitutional majority,
Mr. President declared it passed.
Bill ordered transmitted to Assembly.

Assembly Bill No. 3.
Bill read third time.
Remarks by Senator Hutchison.
Thank you Mr. President. Assembly Bill No. 3 limits the aggregate amount of insurance premium tax credits available to insurers with a home office or regional home office in this state to $5 million annually. The credits shall be allocated on a pro rata basis to insurers based upon the percentage of the total amount calculated for all insurers under the current method.

Effective in 2021, the bill repeals the insurance premium tax credits for insurers with a home office or regional home office in this state. The provision setting a cap on the credit is effective on January 1, 2016, and the repeal of the insurance premium tax credit is effective on January 1, 2021.

Roll call on Assembly Bill No. 3:
YEAS—21.
NAYS—None.
Assembly Bill No. 3 having received a two-thirds majority, Mr. President declared it passed.

Bill ordered transmitted to Assembly.

Senate Bill No. 1.
Bill read third time.

Remarks by Senator Denis.

Thank you Mr. President. Senate Bill No. 1 authorizes the granting of transferable tax credits and abatement of certain taxes to certain participants of a qualified project. To qualify, the lead participant must make an application to the Governor’s Office of Economic Development (GOED) and demonstrate, among other things: (1) that the participants in the project will make a collective minimum investment of $3.5 billion within ten years of approval of the application; and (2) that at least 50 percent of the employees engaged in construction of the project and 50 percent of the persons employed at the project are Nevada residents. These requirements may be waived by GOED if there are insufficient qualified and available Nevada residents and notice of the waiver is made public and posted on GOED’s website. To be considered a Nevada resident, each project participant must document that the person: (1) has a Nevada driver’s license or identification card; (2) is employed fulltime for an average minimum of 30 hours per week; and (3) is offered coverage under a health insurance plan provided by the employer.

If qualified, the lead participant of the project may be approved for transferable tax credits as follows: (1) $12,500 for each qualified employee up to a maximum of 6,000 employees, for a potential total of $75 million; (2) an amount equal to 5 percent of the first $1 billion of new capital investments, or $50 million; (3) an amount equal to 2.8 percent of the next $2.5 billion of new capital investment, or $70 million. The bill provides that no more than $45 million in transferable tax credits may be issued in any of the first seven fiscal years, except for unused credits carried forward, and caps the total credits which may be approved at $195 million. Real and personal property taxes and employer excise taxes (Modified Business Tax) may be abated for qualified projects for up to 10 years and local sales and use taxes, as defined in the bill, may be abated for up to 20 years.

The bill also sets forth requirements for public notice of action on the application, verification of eligibility, audits, and notification of affected local governments. The measure requires repayment of transferable tax credits and abatements if the lead participant or other

Local governments are also authorized to abate licensing or permitting fees for qualified projects pursuant to an ordinance allowing for a pilot project regarding abatements. Local governments may create economic diversification districts (EDDs), by ordinance, within which all sales and use taxes owed by participants for tangible personal property purchased or used in the jurisdiction for the qualified project, may be pledged to pay for costs of acquiring, improving, or equipping the qualified project. Sales and use taxes already abated cannot be pledged. Any such agreement between a local government and the lead participant must automatically terminate on or before the end of the fiscal year in which the 20th anniversary of the creation of the district occurs.

Reports are required to be submitted to the Governor and Legislature: (1) annually by GOED on the number of qualified projects submitted and approved, along with related matters; (2) quarterly by GOED on the dollar amount of the abatements, number of qualified employees and their wages, and investment amounts; (3) annually by a local government which has approved an abatement as to the number and amount of abatements and the number of persons employed within the jurisdiction by the qualified project and their wages; and (4) for an EDD, annually by the local government as to the status of the qualified project within the EDD and an assessment of the financial impact of the district on local government services within the EDD.

The bill also reduces the amount of transferable tax credits that may be granted to producers of qualified film productions from $80 million to $10 million.

The bill is effective on September 11, 2014. The provisions relating to the transferable tax credits for film production expire by limitation on June 30, 2023, and the other provisions of the bill expire by limitation on June 30, 2036.
Roll call on Senate Bill No. 1:
YEAS—21.
NAYS—None.

Senate Bill No. 1 having received constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

REMARKS FROM THE FLOOR
[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

Senator Denis moved that the Senate recess subject to the call of the Chair. Motion carried.

Senate in recess at 5:59 p.m.

SENATE IN SESSION

At 7:37 p.m.
President Krolicki presiding.
Quorum present.

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, September 11, 2014

To the Honorable the Senate:
I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 2.

SUSAN FURLONG
Chief Clerk of the Assembly

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 2.
Senator Smith moved that the bill be referred to the Committee of the Whole.
Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Denis moved that the Senate resolve itself into a Committee of the Whole for the purpose of considering Assembly Bill No. 2 with Senator Denis serving as Chair and Senator Smith serving as Vice Chair.
Motion carried.

Mr. President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 7:40 p.m.

IN COMMITTEE OF THE WHOLE

At 7:40 p.m.
Senator Denis presiding.
Quorum present.
Assembly Bill No. 2 considered.

The Committee of the Whole was addressed by Senator Denis, Chair; Troy L. Dillard, Director of the Nevada Department of Motor Vehicles; Senator Kieckhefer; Senator Settelmeyer; Senator Cegavske.

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

On the motion of Senator Smith and second by Senator Hardy, the Committee did rise, return and report back to the Senate.

SENATE IN SESSION

At 7:55 p.m.
President Krolicki presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. President:
Your Committee of the Whole, to which was referred Assembly Bill No. 2, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MOISES DENIS, Chair

GENERAL FILE AND THIRD READING

Assembly Bill No. 2.
Bill read third time.
Remarks by Senator Manendo.

Thank you Mr. President. Assembly Bill No. 2 permits a manufacturer of passenger cars powered solely by electric motors to sell its new or used passenger cars directly to the public provided it was not selling or distributing its cars in Nevada on or before January 1, 2016. The bill is effective on September 11, 2014.

Roll call on Assembly Bill No. 2:
YEAS—21.
NAYS—None.

Assembly Bill No. 2 having received constitutional majority, Mr. President declared it passed.
Bill ordered transmitted to Assembly.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bill No. 1; Senate Resolution Nos. 1, 2, 3; Assembly Bill Nos. 1, 2, 3; and Assembly Concurrent Resolution No. 1.

REMARKS FROM THE FLOOR

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

Senator Denis moved that the Senate recess subject to the call of the Chair. Motion carried.

Senate in recess at 8:34 p.m.
At 9:24 p.m.
President Krolicki presiding.
Quorum present.

Mr. President appointed Senators Ford, Jones, and Gustavson as a committee to wait upon the Assembly and to inform that honorable body that the Senate is ready to adjourn sine die.

Mr. President appointed Senators Atkinson, Segerblom and Settelmeyer as a committee to wait upon His Excellency, Brian Sandoval, Governor of the State of Nevada, and to inform him that the Senate is ready to adjourn sine die.

A committee from the Assembly, consisting of Assemblyman Horne, Assemblywoman Diaz, and Assemblyman Kirner appeared before the bar of the Senate and announced that the Assembly is ready to adjourn sine die.

Mr. President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 9:26 p.m.

At 9:46 p.m.
President Krolicki presiding.
Quorum present.

REPORTS OF COMMITTEES

Senator Ford reported that his committee had informed the Assembly that the Senate is ready to adjourn sine die.

Senator Atkinson reported that his committee had informed the Governor that the Senate is ready to adjourn sine die.

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, September 11, 2014

To the Honorable the Senate:
I have the honor to inform your honorable body that the Assembly on this day passed Senate Bills No. 1.

SUSAN FURLONG
Chief Clerk of the Assembly

REMARKS FROM THE FLOOR

[REMARKS TO BE PLACED IN THE FINAL JOURNAL]

Senator Denis moved that the Twenty-Eighth Special Session of the Senate of the Legislature of the State of Nevada adjourn sine die.
Motion carried.
Senate adjourned *sine die* at 9:51 p.m.

Approved: BRIAN K. KROLICKI  
*President of the Senate*

Attest: DAVID A. BYERMAN  
*Secretary of the Senate*

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