

**LCB File No. R047-06**

**PROPOSED REGULATION OF THE  
COMMISSION ON ECONOMIC DEVELOPMENT**

**AMENDED NOTICE OF INTENT TO ACT UPON REGULATION**

**Notice of Hearing for the Adoption of Regulations of the  
Nevada Commission on Economic Development**

The Nevada Commission on Economic Development will hold a public hearing at 2:00 p.m., on Monday, June 5, 2006. The hearing will be **held at the Nevada Commission on Economic Development, 108 East Proctor Street, Conference Room, Carson City, Nevada, 89701 and 555 East Washington Avenue, #5400, Conference Room, Las Vegas, Nevada 89101.** **Teleconferencing is available by contacting Julene Smith at 775.687.4325.** The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to Chapter 231 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.0603:

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Authority: §§1-9, NRS 231.065

A REGULATION relating to economic development; establishing procedures for the awarding of grants to assist economic diversification projects in counties with economies subject to dramatic fluctuations because of a dependence on mining; and providing other matter properly relating thereto.

The adoption of these regulations will create a beneficial economic effect on the public.

There are no immediate or long-term economic effects of the adoption these regulations anticipated with respect to the public.

The Nevada Commission on Economic Development will have no additional costs incurred to administer the regulations adopted. Enforcement of the regulations can be accomplished through present resources at no additional cost.

The proposed adoption of these regulations does not overlap or duplicate any regulations of other state or local agencies, nor do they overlap or duplicate a federal regulation, nor are they required pursuant to federal law.

The proposed adoption of these regulations does not establish a new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Nevada Commission on Economic Development may appear at the scheduled public hearing or may address their comments, data, views or arguments in written form to the Nevada Commission on Economic Development, 108 East Proctor Street, Carson City, Nevada, 89701. Written submissions must be received by the Nevada Commission on Economic Development on or before Tuesday, May 30, 2006. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Commission on Economic Development may proceed immediately to act upon any written submissions.

A copy of this notice and the regulations to be adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, 89701, for inspection by members of the public during business hours. Additional copies of the notice and the regulations to be adopted will be available at the Nevada Commission on Economic Development's offices at 108 East Proctor Street, Carson City, Nevada, 89701 and 555 East Washington Avenue, Suite 5400, Las Vegas, Nevada, 89101 and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and proposed regulation will also be mailed to the members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, wither before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against the adoption or incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

Nevada Commission on Economic Development	108 East Proctor Street, Carson City, NV 89701
Nevada Commission on Economic Development	555 E. Washington Ave., Ste. 5400, Las Vegas 89101
Nevada State Library	100 Stewart Street, Carson City, NV 89701
Churchill County Library	553 South Maine Street, Fallon, NV 89406
Douglas County Public Library	1625 Library Lane, Minden, NV 89423
Elko-Lander-Eureka Counties Library System	720 Court Street, Elko, NV 89801
Esmeralda County Library	P.O. Box 128, Silverpeak, NV 89047-0128
Eureka Branch Library	10190 Monroe Street, Eureka, NV 89316
Humboldt County Library	85 East 5th Street, Winnemucca, NV, 89445
Lincoln County Library	63 Main Street, Pioche, NV 89043-0330
Lyon County Library System	20 Nevin Way, Yerington, NV 89447-2399
Mineral County Library	First and A Streets, Hawthorne, NV 89415
Pershing County Library	1125 Central Avenue, Lovelock, NV 89419-0781
Storey County Library	95 South "R" Street, Virginia City, NV 89440
Tonopah Library District	171 Central Street, Tonopah, NV 89049
Washoe County Library System	301 South Center Street, Reno, NV 89501-2102
White Pine County Library	950 Campton Street, Ely, NV 89301-1965

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

AUTHORITY: §§3, NRS 231.050 and SB 1, 22<sup>nd</sup> Special Session.

A REGULATION relating to grants to organizations whose economies are subject to dramatic fluctuations due to their dependence on the mining industry, allowing the Nevada Commission on Economic Development to make grants, administer the funding of those grants, and determine the process of application for those grants.

*Section 1. Chapter 231 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 10, inclusive, of this regulation.*

*Sec. 2. As used in sections 3 to 10, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 5, inclusive, of this regulation have the meanings ascribed to them in those sections.*

*Sec. 3. “Commission” means the commission on economic development.*

*Sec. 4. “Economic development” means the process of furthering the development of regional economies in the State of Nevada which requires the use of a variety of generally accepted tools used by economic development practitioners, singularly or in combination. This includes but is not limited to: diversification techniques, entrepreneurship development, leadership development, workforce development, and community development processes and programs.*

*Sec. 5. “Economies Subject to Dramatic Fluctuations Due to Mining” means that county level data provided by the United States Census Bureau’s 2000 information indicates that mining is one of the top two employers in the county.*

*Sec. 6. 1. Grants of money may be made by the Nevada Commission on Economic Development to any city, county or nonprofit private entity whose primary purpose is economic development of regional economies that are subject to dramatic fluctuations due to their dependence on the extractive minerals industry as defined in Section 5 of these regulations..*

*2. Grants shall only be provided for projects that do not qualify for funding from the Economic Development Administration of the United States Department of Commerce.*

*Sec. 7. 1. A qualified entity must apply for the grant on a form prescribed by the executive director of the commission. Applications will be accepted any time there is funding available, that is not currently committed, in the existing fiscal year appropriation by the Nevada State Legislature.*

*2. At minimum, a four times the grant request, cash only match, is required to be a qualified entity to apply for a grant under this program.*

*3. If the applicant is a nonprofit private entity, the application must include a letter from at least one county commission in the geopolitical area served by the entity. This letter must at minimum:*

*(a) Acknowledge the application by stating;*

*1. The Board of County Commissioners approves and supports the project;*

*and*

*2. The resources of the County will be available to provide financial administration of the grant funding, if so requested by the public agency or nonprofit private entity, the commission, or the Board of County Commissioners.*

*Sec. 8. 1. A successful grant applicant shall enter into an agreement which will stipulate:*

- (a) The amount of the grant;*
- (b) The date the grant was approved by the commission;*
- (c) An agreement the recipient of the grant will report to the Commission on a quarterly basis, said report to include:
  - 1) Specific benchmarks of performance required by the Commission; and*
  - 2) A time-line of the above referenced benchmarks with expected dates and amounts of probable draws of funds from the approved grant on the actual progress of the project being funded;**
- (d) The right of the commission or its designee to be allowed access to, and review, any document which the commission, its staff or designee, determines is necessary for the appropriate fiscal oversight of the project being funded.*
- (e) The date the grant will be closed.
  - 1) The agreement shall be approved as to form by the Attorney General's Office and the commission as represented by the executive director.**

*Sec. 9. 1. Funds from the approved grant may not be disbursed by the executive director of the commission until the agreement is signed by all parties and a draw request is received from the public agency or nonprofit private entity. The draw request must be on a form provided by the executive director of the commission and must contain information showing:*

- (a) the date specific amounts of funds will be needed by the organization previously approved for the grant;*
- (b) evidence of the obligation, including but not limited to copies of contracts, receipts, or invoices;*

*(c) the executive director of the commission shall review and either approve or reject the draw request in no more than 10 working days after receipt. The executive director of the commission shall then either:*

- 1) cause a check to be issued to the grant recipient in the amount requested, or;*
- 2) reject the request with a written explanation of what the recipient must do in order to receive approval and issuance of a check, or;*
- 3) reject the request with a statement noting why the request does not qualify as a funding request.*

*Sec. 10. 1. If, during the examination allowed in this regulation Sec. 8, subsection 1(d), the commission has a finding of funds not being applied per the agreement allowed for in this regulation, the grant funding provided in the funding agreement shall immediately stop, with no additional draws of cash allowed. In such a case, with such a finding, the agreement may be determined to be void at the sole discretion of the commission.*