

SENATE BILL NO. 74—COMMITTEE ON REVENUE
AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE OFFICE OF ECONOMIC DEVELOPMENT)

PREFILED DECEMBER 20, 2014

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions governing the abatement of certain taxes for economic development purposes. (BDR 32-293)

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

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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 provisions governing the partial abatement of taxes for new or expanding businesses; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, a person who intends to locate or expand a business in
2 Nevada may apply to the Office of Economic Development for a partial abatement
3 of one or more of the taxes imposed on the new or expanded business. (NRS
4 360.750, 361.0687, 363B.120, 374.357) **Sections 1, 3 and 4** of this bill amend
5 provisions governing this partial abatement to: (1) require an applicant to offer
6 primary jobs to be eligible for the partial abatement; (2) require an applicant to
7 provide an estimate of the total number of new employees which the applicant
8 anticipates hiring in this State if the Office approves the application for the partial
9 abatement; (3) require the agreement between the Office and the applicant to state
10 the effective date of the abatement, as agreed to by the Office and the applicant, and
11 to state that the applicant will offer primary jobs; (4) require that an applicant meet
12 certain employment requirements by the eighth calendar quarter, rather than the
13 fourth calendar quarter, following the calendar quarter in which the abatement
14 becomes effective; (5) provide that only wages paid to new employees in this State
15 are considered when determining whether an applicant satisfies the requirement
16 that the average hourly wage paid to employees in this State exceeds the required
17 amount; (6) remove the requirement that the Office establish by regulation the
18 minimum level of health care benefits that a business must provide to its employees
19 to be eligible for a partial abatement; (7) limit the amount of the partial abatement



20 when the average hourly wage paid by the business to its new employees will be
21 less than a designated percentage of the average state or county hourly wage; and
22 (8) prohibit the Office from approving certain partial abatements when the average
23 hourly wage paid by the business to its new employees will be less than a
24 designated percentage of the average state or county hourly wage.

25 **Sections 2 and 5-8** of this bill make conforming changes to the provisions of
26 existing law governing other partial abatements from certain taxes to: (1) provide
27 that the agreements for these partial abatements state an effective date for the
28 abatement, as agreed to by the Office and the applicant; and (2) remove the
29 requirement that the Office establish by regulation the minimum level of benefits
30 that a business must provide to its employees to be eligible for a partial abatement.

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

1 **Section 1.** NRS 360.750 is hereby amended to read as follows:

2 360.750 1. A person who intends to locate or expand a
3 business in this State may apply to the Office of Economic
4 Development pursuant to this section for a partial abatement of one
5 or more of the taxes imposed on the new or expanded business
6 pursuant to chapter 361, 363B or 374 of NRS.

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

10 (a) The business *offers primary jobs and* is consistent with:

11 (1) The State Plan for Economic Development developed by
12 the Executive Director of the Office of Economic Development
13 pursuant to subsection 2 of NRS 231.053; and

14 (2) Any guidelines adopted by the Executive Director of the
15 Office to implement the State Plan for Economic Development.

16 (b) The applicant has executed an agreement with the Office
17 which must:

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

19 (2) *State the date on which the abatement becomes*
20 *effective, as agreed to by the applicant and the Office, which must*
21 *not be earlier than the date on which the Office received the*
22 *application;*

23 (3) State that the business will, after the date on which the
24 abatement becomes effective, continue in operation in this State for
25 a period specified by the Office, which must be at least 5 years, and
26 will continue to meet the eligibility requirements set forth in this
27 subsection; ~~and~~

28 ~~(3)~~

29 (4) *State that the business will offer primary jobs; and*

30 (5) Bind the successors in interest of the business for the
31 specified period.



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

5 (d) Except as otherwise provided in NRS 361.0687, if the
6 business is a new business in a county whose population is 100,000
7 or more or a city whose population is 60,000 or more, the business
8 meets at least two of the following requirements:

9 (1) The business will have 50 or more full-time employees
10 on the payroll of the business by the ~~fourth~~ *eighth* calendar quarter
11 following the calendar quarter in which the abatement becomes
12 effective who will be employed at the location of the business in
13 that county or city until at least the date which is 5 years after the
14 date on which the abatement becomes effective.

15 (2) Establishing the business will require the business to
16 make, not later than the date which is 2 years after the date on which
17 the abatement becomes effective, a capital investment of at least
18 \$1,000,000 in this State in capital assets that will be retained at the
19 location of the business in that county or city until at least the date
20 which is 5 years after the date on which the abatement becomes
21 effective.

22 (3) The average hourly wage that will be paid by the new
23 business to its *new* employees in this State is at least 100 percent of
24 the average statewide hourly wage as established by the
25 Employment Security Division of the Department of Employment,
26 Training and Rehabilitation on July 1 of each fiscal year and:

27 (I) The business will, by the ~~fourth~~ *eighth* calendar
28 quarter following the calendar quarter in which the abatement
29 becomes effective, provide a health insurance plan for all employees
30 that includes an option for health insurance coverage for dependents
31 of the employees; and

32 (II) The ~~cost to the business for the~~ health care benefits
33 the business provides to its employees in this State will meet the
34 minimum requirements for health care benefits established by the
35 Office . ~~by regulation pursuant to subsection 8.~~

36 (e) Except as otherwise provided in NRS 361.0687, if the
37 business is a new business in a county whose population is less than
38 100,000 or a city whose population is less than 60,000, the business
39 meets at least two of the following requirements:

40 (1) The business will have 10 or more full-time employees
41 on the payroll of the business by the ~~fourth~~ *eighth* calendar quarter
42 following the calendar quarter in which the abatement becomes
43 effective who will be employed at the location of the business in
44 that county or city until at least the date which is 5 years after the
45 date on which the abatement becomes effective.



1 (2) Establishing the business will require the business to
2 make, not later than the date which is 2 years after the date on which
3 the abatement becomes effective, a capital investment of at least
4 \$250,000 in this State in capital assets that will be retained at the
5 location of the business in that county or city until at least the date
6 which is 5 years after the date on which the abatement becomes
7 effective.

8 (3) The average hourly wage that will be paid by the new
9 business to its *new* employees in this State is at least 100 percent of
10 the average statewide hourly wage or the average countywide hourly
11 wage, whichever is less, as established by the Employment Security
12 Division of the Department of Employment, Training and
13 Rehabilitation on July 1 of each fiscal year and:

14 (I) The business will, by the ~~fourth~~ *eighth* calendar
15 quarter following the calendar quarter in which the abatement
16 becomes effective, provide a health insurance plan for all employees
17 that includes an option for health insurance coverage for dependents
18 of the employees; and

19 (II) The ~~cost to the business for the~~ health care benefits
20 the business provides to its employees in this State will meet the
21 minimum requirements for health care benefits established by the
22 Office. ~~[by regulation pursuant to subsection 8.]~~

23 (f) If the business is an existing business, the business meets at
24 least two of the following requirements:

25 (1) For a business in:

26 (I) A county whose population is 100,000 or more or a
27 city whose population is 60,000 or more, the business will, by the
28 ~~fourth~~ *eighth* calendar quarter following the calendar quarter in
29 which the abatement becomes effective, increase the number of
30 employees on its payroll in that county or city by 10 percent more
31 than it employed in the fiscal year immediately preceding the fiscal
32 year in which the abatement becomes effective or by twenty-five
33 employees, whichever is greater, who will be employed at the
34 location of the business in that county or city until at least the date
35 which is 5 years after the date on which the abatement becomes
36 effective; or

37 (II) A county whose population is less than 100,000 or a
38 city whose population is less than 60,000, the business will, by the
39 ~~fourth~~ *eighth* calendar quarter following the calendar quarter in
40 which the abatement becomes effective, increase the number of
41 employees on its payroll in that county or city by 10 percent more
42 than it employed in the fiscal year immediately preceding the fiscal
43 year in which the abatement becomes effective or by six employees,
44 whichever is greater, who will be employed at the location of the



1 business in that county or city until at least the date which is 5 years
2 after the date on which the abatement becomes effective.

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

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

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

18 (3) The average hourly wage that will be paid by the existing
19 business to its new employees in this State is at least the amount of
20 the average hourly wage required to be paid by businesses pursuant
21 to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of
22 NRS 361.0687, whichever is applicable, and:

23 (I) The business will, by the ~~fourth~~ *eighth* calendar
24 quarter following the calendar quarter in which the abatement
25 becomes effective, provide a health insurance plan for all new
26 employees that includes an option for health insurance coverage for
27 dependents of the employees; and

28 (II) The ~~cost to the business for the~~ health care benefits
29 the business provides to its new employees in this State will meet
30 the minimum requirements for health care benefits established
31 by the Office. ~~[by regulation pursuant to subsection 8.]~~

32 *(g) The applicant has provided in the application an estimate*
33 *of the total number of new employees which the business*
34 *anticipates hiring in this State if the Office approves the*
35 *application.*

36 3. Notwithstanding the provisions of subsection 2, the Office
37 of Economic Development:

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

42 (b) Shall consider the level of health care benefits provided by
43 the business to its employees, the projected economic impact of the
44 business and the projected tax revenue of the business after
45 deducting projected revenue from the abated taxes.



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

2 (1) Approve an application for a partial abatement pursuant
3 to this section by a business that does not meet the requirements set
4 forth in paragraph (d), (e) or (f) of subsection 2;

5 (2) Make the requirements set forth in paragraph (d), (e) or
6 (f) of subsection 2 more stringent; or

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

9 4. *Notwithstanding any other provision of law, the Office of
10 Economic Development shall not approve an application for a
11 partial abatement pursuant to this section if:*

12 (a) *The applicant intends to locate or expand in a county in
13 which the rate of unemployment is 6 percent or more and the
14 average hourly wage that will be paid by the applicant to its new
15 employees in this State is less than 60 percent of the average
16 statewide hourly wage or the average countywide hourly wage,
17 whichever is less, as established by the Employment Security
18 Division of the Department of Employment, Training and
19 Rehabilitation on July 1 of each fiscal year.*

20 (b) *The applicant intends to locate or expand in a county in
21 which the rate of unemployment is less than 6 percent and the
22 average hourly wage that will be paid by the applicant to its new
23 employees in this State is less than 75 percent of the average
24 statewide hourly wage or the average countywide hourly wage,
25 whichever is less, as established by the Employment Security
26 Division of the Department of Employment, Training and
27 Rehabilitation on July 1 of each fiscal year.*

28 5. *Notwithstanding any other provision of law, if the Office of
29 Economic Development approves an application for a partial
30 abatement pursuant to this section, in determining the types of
31 taxes imposed on a new or expanded business for which the
32 partial abatement will be approved and the amount of the partial
33 abatement:*

34 (a) *If the new or expanded business is located in a county in
35 which the rate of unemployment is 6 percent or more and the
36 average hourly wage that will be paid by the business to its new
37 employees in this State is less than 75 percent of the average
38 statewide hourly wage or the average countywide hourly wage,
39 whichever is less, as established by the Employment Security
40 Division of the Department of Employment, Training and
41 Rehabilitation on July 1 of each fiscal year, the Office shall not:*

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



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

4 (b) If the new or expanded business is located in a county in
5 which the rate of unemployment is less than 6 percent and the
6 average hourly wage that will be paid by the business to its new
7 employees in this State is less than 100 percent of the average
8 statewide hourly wage or the average countywide hourly wage,
9 whichever is less, as established by the Employment Security
10 Division of the Department of Employment, Training and
11 Rehabilitation on July 1 of each fiscal year, 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 6. If the Office of Economic Development approves an
19 application for a partial abatement pursuant to this section, the
20 Office shall immediately forward a certificate of eligibility for the
21 abatement to:

22 (a) The Department;

23 (b) The Nevada Tax Commission; and

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

26 ~~5.7~~ 7. An applicant for a partial abatement pursuant to this
27 section or an existing business whose partial abatement is in effect
28 shall, upon the request of the Executive Director of the Office of
29 Economic Development, furnish the Executive Director with copies
30 of all records necessary to verify that the applicant meets the
31 requirements of subsection 2.

32 ~~6.7~~ 8. If a business whose partial abatement has been
33 approved pursuant to this section and is in effect ceases:

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

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

37 ➤ the business shall repay to the Department or, if the partial
38 abatement was from the property tax imposed pursuant to chapter
39 361 of NRS, to the county treasurer, the amount of the exemption
40 that was allowed pursuant to this section before the failure of the
41 business to comply unless the Nevada Tax Commission determines
42 that the business has substantially complied with the requirements of
43 this section. Except as otherwise provided in NRS 360.232 and
44 360.320, the business shall, in addition to the amount of the
45 exemption required to be paid pursuant to this subsection, pay



1 interest on the amount due at the rate most recently established
2 pursuant to NRS 99.040 for each month, or portion thereof, from the
3 last day of the month following the period for which the payment
4 would have been made had the partial abatement not been approved
5 until the date of payment of the tax.

6 ~~[7.]~~ 9. A county treasurer:

7 (a) Shall deposit any money that he or she receives pursuant to
8 subsection ~~[6.]~~ 8 in one or more of the funds established by a local
9 government of the county pursuant to NRS 354.6113 or 354.6115;
10 and

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

13 ~~[8.]~~ 10. The Office of Economic Development ~~]:~~

14 ~~—(a) Shall adopt regulations relating to the minimum level of~~
15 ~~health care benefits that a business must provide to its employees;~~
16 ~~and~~

17 ~~—(b) May] may~~ adopt such ~~[other]~~ regulations as the Office of
18 Economic Development determines to be necessary to carry out the
19 provisions of this section and NRS 360.755.

20 ~~[9.]~~ 11. The Nevada Tax Commission:

21 (a) Shall adopt regulations regarding:

22 (1) The capital investment that a new business must make to
23 meet the requirement set forth in paragraph (d) or (e) of subsection
24 2; and

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

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

30 ~~[10.]~~ 12. An applicant for a partial abatement pursuant to this
31 section who is aggrieved by a final decision of the Office of
32 Economic Development may petition for judicial review in the
33 manner provided in chapter 233B of NRS.

34 *13. For the purposes of this section:*

35 *(a) An employee is a “full-time employee” if he or she is in a*
36 *permanent position of employment and works an average of*
37 *30 hours per week during the applicable period set forth in*
38 *subsection 2.*

39 *(b) Except as otherwise provided in this paragraph, “primary*
40 *jobs” are positions of employment offered by a business, the*
41 *compensation for which is obtained from revenue that is*
42 *generated outside this State. The Executive Director of the Office*
43 *of Economic Development or the Board of Economic Development*
44 *may approve additional positions of employment as primary jobs.*



Sec. 2. NRS 360.752 is hereby amended to read as follows:

360.752 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of the tax imposed on the new or expanded business pursuant to chapter 361 of NRS.

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

(a) The business is in one or more of the industry sectors for economic development promoted, identified or otherwise approved by the Governor's Workforce Investment Board described in NRS 232.935.

(b) The business is consistent with:

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

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

(c) The applicant has executed an agreement with the Office which must:

(1) Comply with the requirements of NRS 360.755;

(2) Require the business to submit to the Department the reports required by paragraph (c) of subsection 1 of NRS 218D.355;

(3) State the agreed terms of the partial abatement, which must comply with the requirements of subsection 4;

(4) *State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;*

(5) State that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and

~~(5)~~ (6) Bind the successors in interest of the business for the specified period.

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

(e) The business does not receive:

(1) Any funding from a governmental entity, other than any private activity bonds as defined in 26 U.S.C. § 141; or



1 (2) Any real or personal property from a governmental entity
2 at no cost or at a reduced cost.

3 (f) The business meets the following requirements:

4 (1) The business makes a capital investment of at least
5 \$1,000,000 in a program of the University of Nevada, Reno, the
6 University of Nevada, Las Vegas, or the Desert Research Institute to
7 be used in support of research, development or training related to
8 the field of endeavor of the business.

9 (2) The business will employ 15 or more full-time employees
10 for the duration of the abatement.

11 (3) The business will employ two or more graduate students
12 from the program in which the capital investment is made on a part-
13 time basis during years 2 through 5, inclusive, of the abatement.

14 (4) The average hourly wage that will be paid by the business
15 to its *new* employees in this State is at least 100 percent of the
16 average statewide hourly wage or the average countywide hourly
17 wage, whichever is less, as established by the Employment Security
18 Division of the Department of Employment, Training and
19 Rehabilitation on July 1 of each fiscal year and:

20 (I) The business will provide a health insurance plan for
21 all full-time employees that includes an option for health insurance
22 coverage for dependents of those employees, or will abide by all
23 applicable provisions of the Patient Protection and Affordable Care
24 Act, Public Law 111-148, or both; and

25 (II) The ~~cost to the business for the~~ benefits the business
26 provides to its employees in this State will meet the minimum
27 requirements for benefits established by the Office . ~~by regulation~~
28 ~~pursuant to subsection 9.~~

29 (5) The business submits with its application for a partial
30 abatement:

31 (I) A letter of support from the institution in which the
32 capital investment is made, which is signed by the chief
33 administrative officer of the institution and the director or chair of
34 the program or the appropriate department, and which includes,
35 without limitation, a summary of the financial and other resources
36 the business will provide to the program and an agreement that the
37 institution will provide to the Office periodic reports, at such times
38 and containing such information as the Office may require,
39 regarding the use of those resources; and

40 (II) A letter of support which is signed by the chair of the
41 board of directors of the regional economic development authority
42 within whose jurisdiction the institution is located and which
43 includes, without limitation, a summary of the role the business will
44 play in diversifying the economy and, if applicable, in achieving the



1 broader goals of the regional economic development authority for
2 economic development and diversification.

3 (g) In lieu of meeting the requirements of paragraph (f), the
4 business meets the following requirements:

5 (1) The business makes a capital investment of at least
6 \$500,000 in the Nevada State College or an institution of the
7 Nevada System of Higher Education other than those set forth in
8 subparagraph (1) of paragraph (f), to be used in support of college
9 certification or in support of research or training related to the field
10 of endeavor of the business.

11 (2) The business will employ 15 or more full-time employees
12 for the duration of the abatement.

13 (3) The business will employ two or more students from the
14 college or institution in which the capital investment is made on a
15 full-time basis during years 2 through 5, inclusive, of the abatement.

16 (4) The average hourly wage that will be paid by the business
17 to its *new* employees in this State is at least 100 percent of the
18 average statewide hourly wage or the average countywide hourly
19 wage, whichever is less, as established by the Employment Security
20 Division of the Department of Employment, Training and
21 Rehabilitation on July 1 of each fiscal year and:

22 (I) The business will provide a health insurance plan for
23 all full-time employees that includes an option for health insurance
24 coverage for dependents of those employees, or will abide by all
25 applicable provisions of the Patient Protection and Affordable Care
26 Act, Public Law 111-148, or both; and

27 (II) The ~~cost to the business for the~~ benefits the business
28 provides to its employees in this State will meet the minimum
29 requirements for benefits established by the Office . ~~[by regulation~~
30 ~~pursuant to subsection 9.]~~

31 (5) The business submits with its application for a partial
32 abatement:

33 (I) A letter of support from the college or institution in
34 which the capital investment is made, which is signed by the chief
35 administrative officer of the college or institution and which
36 includes, without limitation, a summary of the financial and other
37 resources the business will provide to the program and an agreement
38 that the college or institution will provide to the Office periodic
39 reports, at such times and containing such information as the Office
40 may require, regarding the use of those resources; and

41 (II) A letter of support which is signed by the chair of the
42 board of directors of the regional economic development authority
43 within whose jurisdiction the college or institution is located and
44 which includes, without limitation, a summary of the role the
45 business will play in diversifying the economy and, if applicable, in



1 achieving the broader goals of the regional economic development
2 authority for economic development and diversification.

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

5 (a) Shall furnish to the board of county commissioners of each
6 affected county a copy of each application for a partial abatement
7 pursuant to this section.

8 (b) Shall not consider an application for a partial abatement
9 pursuant to this section unless the Office has requested a letter of
10 acknowledgment of the request for the abatement from any affected
11 county, school district, city or town.

12 (c) Shall not approve an application for a partial abatement
13 pursuant to this section unless the abatement is approved or deemed
14 approved as described in this paragraph. The board of county
15 commissioners of each affected county must approve or deny the
16 application not later than 30 days after the board of county
17 commissioners receives a copy of the application as described in
18 paragraph (a). If the board of county commissioners does not
19 approve or deny the application within 30 days after the board of
20 county commissioners receives a copy of the application, the
21 application shall be deemed approved.

22 (d) May, if the Office determines that such action is necessary
23 add additional requirements that a business must meet to qualify for
24 a partial abatement pursuant to this section.

25 4. If the Office of Economic Development approves an
26 application for a partial abatement pursuant to this section:

27 (a) The total amount of the abatement must not exceed;

28 (1) Fifty percent of the amount of the taxes imposed on the
29 personal property of the business pursuant to chapter 361 of NRS
30 during the period of the abatement; or

31 (2) Fifty percent of the amount of the capital investment by
32 the business,

33 ↪ whichever amount is less;

34 (b) The duration of the abatement must be for 5 years; and

35 (c) The abatement applies only to the business for which the
36 abatement was approved pursuant to this section and the property
37 used in connection with that business.

38 5. If the Office of Economic Development approves an
39 application for a partial abatement pursuant to this section, the
40 Office shall immediately forward a certificate of eligibility for the
41 abatement to:

42 (a) The Department;

43 (b) The Nevada Tax Commission; and



1 (c) If the partial abatement is from the property tax imposed
2 pursuant to chapter 361 of NRS, the county treasurer of the county
3 in which the business will be located.

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

10 7. If a business whose partial abatement has been approved
11 pursuant to this section and is in effect ceases to meet the
12 requirements set forth in subsection 2 or ceases operation before the
13 time specified in the agreement described in paragraph (c) of
14 subsection 2:

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

27 (b) The applicable institution of higher education is entitled to
28 keep the entire capital investment made by the business in that
29 institution.

30 8. A county treasurer:

31 (a) Shall deposit any money that he or she receives pursuant to
32 subsection 7 in one or more of the funds established by a local
33 government of the county pursuant to NRS 354.6113 or 354.6115;
34 and

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

37 9. The Office of Economic Development ~~[-~~
38 ~~—(a) Shall adopt regulations relating to the minimum level of~~
39 ~~benefits that a business must provide to its employees to qualify for~~
40 ~~a partial abatement pursuant to this section; and~~
41 ~~—(b) May~~ *may* adopt such ~~[other]~~ regulations as the Office
42 determines to be necessary to carry out the provisions of this
43 section.

44 10. The Nevada Tax Commission:



1 (a) Shall adopt regulations regarding any security that a business
2 is required to post to qualify for a partial abatement pursuant to this
3 section; and

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

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

11 12. Except as otherwise provided in this subsection, as used in
12 this section, "capital investment" includes, without limitation, an
13 investment of real or personal property, money or other assets by a
14 business in an institution of the Nevada System of Higher
15 Education. The Office of Economic Development may, by
16 regulation, specify the types of real or personal property or assets
17 that are included within the definition of "capital investment."

18 **Sec. 3.** NRS 361.0687 is hereby amended to read as follows:

19 361.0687 1. A person who intends to locate or expand a
20 business in this State may, pursuant to NRS 360.750, apply to the
21 Office of Economic Development for a partial abatement from the
22 taxes imposed by this chapter.

23 2. For a business to qualify pursuant to NRS 360.750 for a
24 partial abatement from the taxes imposed by this chapter, the Office
25 of Economic Development must determine that, in addition to
26 meeting the other requirements set forth in subsection 2 of that
27 section:

28 (a) If the business is a new business in a county whose
29 population is 100,000 or more or a city whose population is 60,000
30 or more:

31 (1) The business will, not later than the date which is 2 years
32 after the date on which the abatement becomes effective, make a
33 capital investment in the county or city of:

34 (I) At least \$5,000,000 if the business is an industrial or
35 manufacturing business; or

36 (II) At least \$1,000,000 if the business is not an industrial
37 or manufacturing business,

38 ↪ in capital assets that will be retained at the location of the
39 business in that county or city until at least the date which is 5 years
40 after the date on which the abatement becomes effective; and

41 (2) The average hourly wage that will be paid by the new
42 business to its employees in this State is at least 100 percent of the
43 average statewide hourly wage as established by the Employment
44 Security Division of the Department of Employment, Training and
45 Rehabilitation on July 1 of each fiscal year.



1 (b) If the business is a new business in a county whose
2 population is less than 100,000 or a city whose population is less
3 than 60,000:

4 (1) The business will, not later than the date which is 2 years
5 after the date on which the abatement becomes effective, make a
6 capital investment in the county or city of:

7 (I) At least \$1,000,000 if the business is an industrial or
8 manufacturing business; or

9 (II) At least \$250,000 if the business is not an industrial
10 or manufacturing business,

11 ➤ in capital assets that will be retained at the location of the
12 business in that county or city until at least the date which is 5 years
13 after the date on which the abatement becomes effective; and

14 (2) The average hourly wage that will be paid by the new
15 business to its employees in this State is at least 100 percent of the
16 average statewide hourly wage or the average countywide hourly
17 wage, whichever is less, as established by the Employment Security
18 Division of the Department of Employment, Training and
19 Rehabilitation on July 1 of each fiscal year.

20 3. Except as otherwise provided in subsection 4 and NRS
21 701A.210, if a partial abatement from the taxes imposed by this
22 chapter is approved by the Office of Economic Development
23 pursuant to NRS 360.750:

24 (a) The partial abatement must:

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

27 (2) ~~Not~~ *Subject to any limitation on the abatement set*
28 *forth in NRS 360.750, not* exceed 50 percent of the taxes on
29 personal property payable by a business each year pursuant to this
30 chapter; and

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

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

43 4. Except as otherwise provided in NRS 701A.210, if a partial
44 abatement from the taxes imposed by this chapter is approved by the
45 Office of Economic Development pursuant to NRS 360.750 for a



1 business which is or will be located in a foreign trade zone in this
2 State, the partial abatement must:

3 (a) Be for a duration of at least 1 year but not more than 5 years;
4 and

5 (b) ~~[Not]~~ *Subject to any limitation on the abatement set forth*
6 *in NRS 360.750, not* exceed 75 percent of the taxes on personal
7 property payable by a business each year pursuant to this chapter.

8 5. As used in this section, "foreign trade zone" means an
9 activated foreign trade zone established, operated and maintained in
10 accordance with chapter 237A of NRS and any applicable federal
11 laws.

12 **Sec. 4.** NRS 363B.120 is hereby amended to read as follows:

13 363B.120 1. ~~[An]~~ *Except as otherwise provided in NRS*
14 *360.750, an* employer that qualifies pursuant to the provisions of
15 NRS 360.750 is entitled to an exemption of 50 percent of the
16 amount of tax otherwise due pursuant to NRS 363B.110 during the
17 first 4 years of its operation.

18 2. If a partial abatement from the taxes otherwise due pursuant
19 to NRS 363B.110 is approved by the Office of Economic
20 Development pursuant to NRS 360.750, the partial abatement must
21 be administered and carried out in the manner set forth in
22 NRS 360.750.

23 **Sec. 5.** NRS 274.310 is hereby amended to read as follows:

24 274.310 1. A person who intends to locate a business in this
25 State within:

26 (a) A historically underutilized business zone, as defined in 15
27 U.S.C. § 632;

28 (b) A redevelopment area created pursuant to chapter 279 of
29 NRS;

30 (c) An area eligible for a community development block grant
31 pursuant to 24 C.F.R. Part 570; or

32 (d) An enterprise community established pursuant to 24 C.F.R.
33 Part 597,

34 ↪ may submit a request to the governing body of the county, city or
35 town in which the business would operate for an endorsement of an
36 application by the person to the Office of Economic Development
37 for a partial abatement of one or more of the taxes imposed pursuant
38 to chapter 361 or 374 of NRS. The governing body of the county,
39 city or town shall provide notice of the request to the board of
40 trustees of the school district in which the business would operate.
41 The notice must set forth the date, time and location of the hearing
42 at which the governing body will consider whether to endorse the
43 application.

44 2. The governing body of a county, city or town shall develop
45 procedures for:



1 (a) Evaluating whether such an abatement would be beneficial
2 for the economic development of the county, city or town.

3 (b) Issuing a certificate of endorsement for an application for
4 such an abatement that is found to be beneficial for the economic
5 development of the county, city or town.

6 3. A person whose application has been endorsed by the
7 governing body of the county, city or town, as applicable, pursuant
8 to this section may submit the application to the Office of Economic
9 Development. The Office shall approve the application if the Office
10 makes the following determinations:

11 (a) The business is consistent with:

12 (1) The State Plan for Economic Development developed by
13 the Administrator pursuant to subsection 2 of NRS 231.053; and

14 (2) Any guidelines adopted by the Administrator to
15 implement the State Plan for Economic Development.

16 (b) The applicant has executed an agreement with the Office
17 which states ~~{that}~~ :

18 *(1) The date on which the abatement becomes effective, as*
19 *agreed to by the applicant and the Office, which must not be*
20 *earlier than the date on which the Office received the application;*
21 *and*

22 *(2) That* the business will, after the date on which the
23 abatement becomes effective:

24 ~~{(1)}~~ *(I)* Commence operation and continue in operation in
25 the historically underutilized business zone, as defined in 15 U.S.C.
26 § 632, redevelopment area created pursuant to chapter 279 of NRS,
27 area eligible for a community development block grant pursuant to
28 24 C.F.R. Part 570 or enterprise community established pursuant to
29 24 C.F.R. Part 597 for a period specified by the Office, which must
30 be at least 5 years; and

31 ~~{(2)}~~ *(II)* Continue to meet the eligibility requirements set
32 forth in this subsection.

33 ➤ The agreement must bind successors in interest of the business
34 for the specified period.

35 (c) The business is registered pursuant to the laws of this State
36 or the applicant commits to obtain a valid business license and all
37 other permits required by the county, city or town in which the
38 business will operate.

39 (d) The applicant invested or commits to invest a minimum of
40 \$500,000 in capital assets that will be retained at the location of the
41 business in the historically underutilized business zone, as defined
42 in 15 U.S.C. § 632, redevelopment area created pursuant to chapter
43 279 of NRS, area eligible for a community development block grant
44 pursuant to 24 C.F.R. Part 570 or enterprise community established



1 pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years
2 after the date on which the abatement becomes effective.

3 4. If the Office of Economic Development approves an
4 application for a partial abatement, the Office shall immediately
5 forward a certificate of eligibility for the abatement to:

6 (a) The Department of Taxation;

7 (b) The Nevada Tax Commission; and

8 (c) If the partial abatement is from the property tax imposed
9 pursuant to chapter 361 of NRS, the county treasurer of the county
10 in which the business will be located.

11 5. If the Office of Economic Development approves an
12 application for a partial abatement pursuant to this section:

13 (a) The partial abatement must:

14 (1) Except as otherwise provided in subparagraph (2), be for
15 a duration of not less than 1 year but not more than 5 years; or

16 (2) If the business is a data center that has invested or
17 commits to invest during the period in which the abatement is
18 effective a minimum of \$100,000,000 in the historically
19 underutilized business zone, as defined in 15 U.S.C. § 632,
20 redevelopment area created pursuant to chapter 279 of NRS, area
21 eligible for a community development block grant pursuant to 24
22 C.F.R. Part 570 or enterprise community established pursuant to 24
23 C.F.R. Part 597, be for a duration of not less than 1 year but not
24 more than 15 years.

25 (b) If the abatement is from the property tax imposed pursuant
26 to chapter 361 of NRS, the partial abatement must not exceed 75
27 percent of the taxes on personal property payable by a business each
28 year pursuant to that chapter.

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

31 (a) To meet the eligibility requirements for the partial
32 abatement; or

33 (b) Operation before the time specified in the agreement
34 described in paragraph (b) of subsection 3,

35 ➔ the business shall repay to the Department of Taxation or, if the
36 partial abatement was from the property tax imposed pursuant to
37 chapter 361 of NRS, to the county treasurer, the amount of the
38 exemption that was allowed pursuant to this section before the
39 failure of the business to comply unless the Nevada Tax
40 Commission determines that the business has substantially complied
41 with the requirements of this section. Except as otherwise provided
42 in NRS 360.232 and 360.320, the business shall, in addition to the
43 amount of the exemption required to be paid pursuant to this
44 subsection, pay interest on the amount due at the rate most recently
45 established pursuant to NRS 99.040 for each month, or portion



1 thereof, from the last day of the month following the period for
2 which the payment would have been made had the partial abatement
3 not been approved until the date of payment of the tax.

4 7. The Office of Economic Development may adopt such
5 regulations as the Office determines to be necessary or advisable to
6 carry out the provisions of this section.

7 8. An applicant for an abatement who is aggrieved by a final
8 decision of the Office of Economic Development may petition for
9 judicial review in the manner provided in chapter 233B of NRS.

10 **Sec. 6.** NRS 274.320 is hereby amended to read as follows:

11 274.320 1. A person who intends to expand a business in this
12 State within:

13 (a) A historically underutilized business zone, as defined in 15
14 U.S.C. § 632;

15 (b) A redevelopment area created pursuant to chapter 279 of
16 NRS;

17 (c) An area eligible for a community development block grant
18 pursuant to 24 C.F.R. Part 570; or

19 (d) An enterprise community established pursuant to 24 C.F.R.
20 Part 597,

21 ↪ may submit a request to the governing body of the county, city or
22 town in which the business operates for an endorsement of an
23 application by the person to the Office of Economic Development
24 for a partial abatement of the taxes imposed on capital equipment
25 pursuant to chapter 374 of NRS. The governing body of the county,
26 city or town shall provide notice of the request to the board of
27 trustees of the school district in which the business operates. The
28 notice must set forth the date, time and location of the hearing at
29 which the governing body will consider whether to endorse the
30 application.

31 2. The governing body of a county, city or town shall develop
32 procedures for:

33 (a) Evaluating whether such an abatement would be beneficial
34 for the economic development of the county, city or town.

35 (b) Issuing a certificate of endorsement for an application for
36 such an abatement that is found to be beneficial for the economic
37 development of the county, city or town.

38 3. A person whose application has been endorsed by the
39 governing body of the county, city or town, as applicable, pursuant
40 to this section may submit the application to the Office of Economic
41 Development. The Office shall approve the application if the Office
42 makes the following determinations:

43 (a) The business is consistent with:

44 (1) The State Plan for Economic Development developed by
45 the Administrator pursuant to subsection 2 of NRS 231.053; and



1 (2) Any guidelines adopted by the Administrator to
2 implement the State Plan for Economic Development.

3 (b) The applicant has executed an agreement with the Office
4 which states ~~that~~ :

5 *(1) The date on which the abatement becomes effective, as*
6 *agreed to by the applicant and the Office, which must not be*
7 *earlier than the date on which the Office received the application;*
8 *and*

9 *(2) That* the business will, after the date on which the
10 abatement becomes effective:

11 ~~(I)~~ (I) Continue in operation in the historically
12 underutilized business zone, as defined in 15 U.S.C. § 632,
13 redevelopment area created pursuant to chapter 279 of NRS, area
14 eligible for a community development block grant pursuant to 24
15 C.F.R. Part 570 or enterprise community established pursuant to 24
16 C.F.R. Part 597 for a period specified by the Office, which must be
17 at least 5 years; and

18 ~~(II)~~ (II) Continue to meet the eligibility requirements set
19 forth in this subsection.

20 ↪ The agreement must bind successors in interest of the business
21 for the specified period.

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

26 (d) The applicant invested or commits to invest a minimum of
27 \$250,000 in capital equipment that will be retained at the location of
28 the business in the historically underutilized business zone, as
29 defined in 15 U.S.C. § 632, redevelopment area created pursuant to
30 chapter 279 of NRS, area eligible for a community development
31 block grant pursuant to 24 C.F.R. Part 570 or enterprise community
32 established pursuant to 24 C.F.R. Part 597 until at least the date
33 which is 5 years after the date on which the abatement becomes
34 effective.

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

38 (a) The Department of Taxation; and

39 (b) The Nevada Tax Commission.

40 5. If the Office of Economic Development approves an
41 application for a partial abatement pursuant to this section:

42 (a) The partial abatement must:

43 (1) Except as otherwise provided in subparagraph (2), be for
44 a duration of not less than 1 year but not more than 5 years; or



1 (2) If the business is a data center that has invested or
2 commits to invest during the period in which the abatement is
3 effective a minimum of \$100,000,000 in the historically
4 underutilized business zone, as defined in 15 U.S.C. § 632,
5 redevelopment area created pursuant to chapter 279 of NRS, area
6 eligible for a community development block grant pursuant to 24
7 C.F.R. Part 570 or enterprise community established pursuant to 24
8 C.F.R. Part 597, be for a duration of not less than 1 year but not
9 more than 15 years.

10 (b) If the abatement is from the property tax imposed pursuant
11 to chapter 361 of NRS, the partial abatement must not exceed 75
12 percent of the taxes on personal property payable by a business each
13 year pursuant to that chapter.

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

16 (a) To meet the eligibility requirements for the partial
17 abatement; or

18 (b) Operation before the time specified in the agreement
19 described in paragraph (b) of subsection 3,

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

32 7. The Office of Economic Development may adopt such
33 regulations as the Office determines to be necessary or advisable to
34 carry out the provisions of this section.

35 8. An applicant for an abatement who is aggrieved by a final
36 decision of the Office of Economic Development may petition for
37 judicial review in the manner provided in chapter 233B of NRS.

38 **Sec. 7.** NRS 274.330 is hereby amended to read as follows:

39 274.330 1. A person who owns a business which is located
40 within an enterprise community established pursuant to 24 C.F.R.
41 Part 597 in this State may submit a request to the governing body of
42 the county, city or town in which the business is located for an
43 endorsement of an application by the person to the Office of
44 Economic Development for a partial abatement of one or more of
45 the taxes imposed pursuant to chapter 361 or 374 of NRS. The



1 governing body of the county, city or town shall provide notice of
2 the request to the board of trustees of the school district in which the
3 business operates. The notice must set forth the date, time and
4 location of the hearing at which the governing body will consider
5 whether to endorse the application.

6 2. The governing body of a county, city or town shall develop
7 procedures for:

8 (a) Evaluating whether such an abatement would be beneficial
9 for the economic development of the county, city or town.

10 (b) Issuing a certificate of endorsement for an application for
11 such an abatement that is found to be beneficial for the economic
12 development of the county, city or town.

13 3. A person whose application has been endorsed by the
14 governing body of the county, city or town, as applicable, pursuant
15 to this section may submit the application to the Office of Economic
16 Development. The Office shall approve the application if the Office
17 makes the following determinations:

18 (a) The business is consistent with:

19 (1) The State Plan for Economic Development developed by
20 the Administrator pursuant to subsection 2 of NRS 231.053; and

21 (2) Any guidelines adopted by the Administrator to
22 implement the State Plan for Economic Development.

23 (b) The applicant has executed an agreement with the Office
24 which states ~~{that}~~:

25 *(1) The date on which the abatement becomes effective, as*
26 *agreed to by the applicant and the Office, which must not be*
27 *earlier than the date on which the Office received the application;*
28 *and*

29 *(2) That* the business will, after the date on which the
30 abatement becomes effective:

31 ~~{(1)}~~ *(I)* Continue in operation in the enterprise community
32 for a period specified by the Office, which must be at least 5 years;
33 and

34 ~~{(2)}~~ *(II)* Continue to meet the eligibility requirements set
35 forth in this subsection.

36 ↪ The agreement must bind successors in interest of the business
37 for the specified period.

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

42 (d) The business:

43 (1) Employs one or more dislocated workers who reside in
44 the enterprise community; and



1 (2) Pays such employees a wage of not less than 100 percent
2 of the federally designated level signifying poverty for a family of
3 four persons and provides medical benefits to the employees and
4 their dependents **☐ which meet the minimum requirements for**
5 **medical benefits established by the Office.**

6 4. If the Office of Economic Development approves an
7 application for a partial abatement, the Office shall:

8 (a) Determine the percentage of employees of the business
9 which meet the requirements of paragraph (d) of subsection 3 and
10 grant a partial abatement equal to that percentage; and

11 (b) Immediately forward a certificate of eligibility for the
12 abatement to:

13 (1) The Department of Taxation;

14 (2) The Nevada Tax Commission; and

15 (3) If the partial abatement is from the property tax imposed
16 pursuant to chapter 361 of NRS, the county treasurer of the county
17 in which the business is located.

18 5. If the Office of Economic Development approves an
19 application for a partial abatement pursuant to this section:

20 (a) The partial abatement must:

21 (1) Except as otherwise provided in subparagraph (2), be for
22 a duration of not less than 1 year but not more than 5 years; or

23 (2) If the business is a data center that has invested or
24 commits to invest during the period in which the abatement is
25 effective a minimum of \$100,000,000 in the enterprise community
26 established pursuant to 24 C.F.R. Part 597, be for a duration of not
27 less than 1 year but not more than 15 years.

28 (b) If the abatement is from the property tax imposed pursuant
29 to chapter 361 of NRS, the partial abatement must not exceed 75
30 percent of the taxes on personal property payable by a business each
31 year pursuant to that chapter.

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

34 (a) To meet the eligibility requirements for the partial
35 abatement; or

36 (b) Operation before the time specified in the agreement
37 described in paragraph (b) of subsection 3,

38 ☞ the business shall repay to the Department of Taxation or, if the
39 partial abatement was from the property tax imposed pursuant to
40 chapter 361 of NRS, to the county treasurer, the amount of the
41 exemption that was allowed pursuant to this section before the
42 failure of the business to comply unless the Nevada Tax
43 Commission determines that the business has substantially complied
44 with the requirements of this section. Except as otherwise provided
45 in NRS 360.232 and 360.320, the business shall, in addition to the



1 amount of the exemption required to be paid pursuant to this
2 subsection, pay interest on the amount due at the rate most recently
3 established pursuant to NRS 99.040 for each month, or portion
4 thereof, from the last day of the month following the period for
5 which the payment would have been made had the partial abatement
6 not been approved until the date of payment of the tax.

7 7. The Office of Economic Development ~~f~~

8 ~~—(a) Shall adopt regulations relating to the minimum level of~~
9 ~~benefits that a business must provide to its employees to qualify for~~
10 ~~an abatement pursuant to this section.~~

11 ~~—(b) May~~ *may* adopt such ~~{other}~~ regulations as the Office
12 determines to be necessary or advisable to carry out the provisions
13 of this section.

14 8. An applicant for an abatement who is aggrieved by a final
15 decision of the Office of Economic Development may petition for
16 judicial review in the manner provided in chapter 233B of NRS.

17 9. As used in this section, “dislocated worker” means a person
18 who:

19 (a) Has been terminated, laid off or received notice of
20 termination or layoff from employment;

21 (b) Is eligible for or receiving or has exhausted his or her
22 entitlement to unemployment compensation;

23 (c) Has been dependent on the income of another family
24 member but is no longer supported by that income;

25 (d) Has been self-employed but is no longer receiving an income
26 from self-employment because of general economic conditions in
27 the community or natural disaster; or

28 (e) Is currently unemployed and unable to return to a previous
29 industry or occupation.

30 **Sec. 8.** NRS 322.061 is hereby amended to read as follows:

31 322.061 1. The Administrator of the Division of State Lands
32 of the State Department of Conservation and Natural Resources, as
33 ex officio State Land Registrar, may lease state land pursuant to
34 NRS 322.060 for less than the fair market value of the state land for
35 the first year of the lease, including, without limitation, without the
36 payment of rent for the first year of the lease, to a person who
37 intends to locate or expand a business in this State if, except as
38 otherwise provided in subsection 5, the business meets the
39 requirements of subsection 4.

40 2. Before state land may be leased pursuant to this section, the
41 following persons must approve the lease and establish the
42 recommended amount of rent to be received for the state land:

43 (a) The Administrator of the Division of State Lands, as ex
44 officio State Land Registrar;



1 (b) The Administrator of the State Public Works Division of the
2 Department of Administration; and

3 (c) The Executive Director of the Office of Economic
4 Development.

5 3. Any lease entered into pursuant to this section must be for a
6 term of at least 10 years.

7 4. Except as otherwise provided in subsection 5, the lease or
8 agreement may not include a discount to the business for the first
9 year unless:

10 (a) The business is consistent with:

11 (1) The State Plan for Economic Development developed by
12 the Executive Director of the Office of Economic Development
13 pursuant to subsection 2 of NRS 231.053; and

14 (2) Any guidelines adopted by the Executive Director of the
15 Office to implement the State Plan for Economic Development.

16 (b) The business is registered pursuant to the laws of this State
17 or the person who intends to locate or expand the business in this
18 State commits to obtain a valid business license and all other
19 permits required by the county, city or town in which the business
20 operates.

21 (c) 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 two of the following
24 requirements:

25 (1) The business will have 75 or more full-time employees
26 on the payroll of the business by the fourth quarter that it is in
27 operation.

28 (2) Establishing the business will require the business to
29 make a capital investment of at least \$1,000,000 in this State.

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

35 (I) The business will provide a health insurance plan for
36 all employees that includes an option for health insurance coverage
37 for dependents of the employees; and

38 (II) The ~~cost to the business for the~~ benefits the business
39 provides to its employees in this State will meet the minimum
40 requirements for benefits established by the Office. ~~[by regulation~~
41 ~~pursuant to subsection 8 of NRS 360.750.]~~

42 (d) If the business is a new business in a county whose
43 population is less than 100,000 or a city whose population is less
44 than 60,000, the business meets at least two of the following
45 requirements:



1 (1) The business will have 15 or more full-time employees
2 on the payroll of the business by the fourth quarter that it is in
3 operation.

4 (2) Establishing the business will require the business to
5 make a capital investment of at least \$250,000 in this State.

6 (3) The average hourly wage that will be paid by the new
7 business to its *new* employees in this State is at least 100 percent of
8 the average statewide hourly wage or the average countywide hourly
9 wage, whichever is less, as established by the Employment Security
10 Division of the Department of Employment, Training and
11 Rehabilitation on July 1 of each fiscal year and:

12 (I) The business will provide a health insurance plan for
13 all employees that includes an option for health insurance coverage
14 for dependents of the employees; and

15 (II) The ~~cost to the business for the~~ benefits the business
16 provides to its employees in this State will meet the minimum
17 requirements for benefits established by the Office . ~~[by regulation~~
18 ~~pursuant to subsection 8 of NRS 360.750.]~~

19 (e) If the business is an existing business, the business meets at
20 least two of the following requirements:

21 (1) The business will increase the number of employees on
22 its payroll by 10 percent more than it employed in the immediately
23 preceding fiscal year or by six employees, whichever is greater.

24 (2) The business will expand by making a capital investment
25 in this State in an amount equal to at least 20 percent of the value of
26 the tangible property possessed by the business in the immediately
27 preceding fiscal year. The determination of the value of the tangible
28 property possessed by the business in the immediately preceding
29 fiscal year must be made by the:

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

32 (II) The Department of Taxation, if the business is
33 centrally assessed.

34 (3) The average hourly wage that will be paid by the existing
35 business to its new employees in this State is at least the amount of
36 the average hourly wage required to be paid by businesses pursuant
37 to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of
38 NRS 361.0687, whichever is applicable, and:

39 (I) The business will provide a health insurance plan for
40 all new employees that includes an option for health insurance
41 coverage for dependents of the employees; and

42 (II) The ~~cost to the business for the~~ benefits the business
43 provides to its new employees in this State will meet the minimum
44 requirements for benefits established by the Office . ~~[by regulation~~
45 ~~pursuant to subsection 8 of NRS 360.750.]~~



1 (f) In lieu of meeting the requirements of paragraph (c), (d) or
2 (e), if the business furthers the development and refinement of
3 intellectual property, a patent or a copyright into a commercial
4 product, the business meets at least two of the following
5 requirements:

6 (1) The business will have 10 or more full-time employees
7 on the payroll of the business by the fourth quarter that it is in
8 operation.

9 (2) Establishing the business will require the business to
10 make a capital investment of at least \$500,000 in this State.

11 (3) The average hourly wage that will be paid by the new
12 business to its employees in this State is at least the amount of the
13 average hourly wage required to be paid by businesses pursuant to
14 subparagraph (2) of either paragraph (a) or (b) of subsection 2 of
15 NRS 361.0687, whichever is applicable, and:

16 (I) The business will provide a health insurance plan for
17 all employees that includes an option for health insurance coverage
18 for dependents of the employees; and

19 (II) The ~~cost to the business for the~~ benefits the business
20 provides to its employees in this State will meet with minimum
21 requirements established by the Office . ~~[by regulation pursuant to~~
22 ~~subsection 8 of NRS 360.750.]~~

23 5. The Executive Director of the Office of Economic
24 Development may waive the requirements of subsection 4 for good
25 cause shown if the lease is for state land of less than 25,000 square
26 feet.

27 **Sec. 9.** The amendatory provisions of this act do not apply to
28 or otherwise affect any abatement of taxes or deferment of the
29 payment of taxes approved by the Office of Economic Development
30 before July 1, 2015.

31 **Sec. 10.** This act becomes effective:

32 1. Upon passage and approval for the purposes of adopting
33 regulations and performing any other preparatory administrative
34 tasks to carry out the provisions of this act; and

35 2. On July 1, 2015, for all other purposes.

