

THE ONE HUNDRED AND SEVENTEENTH DAY

CARSON CITY (Friday), May 29, 2015

Senate called to order at 2:08 p.m.

President Hutchison presiding.

Roll called.

All present except Senators Kieckhefer and Smith, who were excused.

Prayer by Senator Pat Spearman.

Today, I will be praying from Psalm 46 which is a Psalm of David.

God is our refuge and strength, an ever-present help in a time of trouble. Therefore, we will not fear, falter or fail, though the Earth gives way and the mountains fall into the heart of the sea. Though its waters roar and foam and the mountains quake with their surging. There is a river whose streams make glad the City of God, the holy place where the Most High dwells. God is within her, she will not fall. God will help her at the break of day. Nations are in an uproar, Kingdoms fall; God lifts His Voice and the Earth melts.

The Lord Almighty is with us, the God of Jacob is our fortress. Come and see what the Lord has done, the desolations He has brought on the Earth. He makes wars to cease to the ends of the Earth. He breaks the bow and shatters the spear. He burns the shield with fire. He says "Be still and know that I am God. I will be exalted among the nations. I will be exalted in the Earth."

The Lord Almighty is with us, the God of Jacob is our Fortress. Selah.

AMEN.

Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President and Secretary are authorized to make the necessary corrections and additions.

REPORTS OF COMMITTEES

Mr. President:

Your Committee on Education, to which was referred Assembly Bill No. 234, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

BECKY HARRIS, *Chair*

Mr. President:

Your Committee on Finance, to which were re-referred Senate Bills Nos. 107, 460, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MICHAEL ROBERSON, *Vice Chair*

Mr. President:

Your Committee on Revenue and Economic Development, to which were referred Assembly Bills Nos. 71, 161, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MICHAEL ROBERSON, *Chair*

Mr. President:

Your Senate Committee on Parliamentary Rules and Procedures has approved the consideration of Amendment No. 1008 to Assembly Bill No. 167.

JAMES A. SETTELMAYER, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 28, 2015

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed Senate Bills Nos. 24, 253, 420, 422, 431, 456, 500, 501, 503, 510; Assembly Bills Nos. 466, 472, 473, 483.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 203, 389, 438, 443, 469, 474, 482.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 170, Amendment No. 815; Senate Bill No. 391, Amendment No. 895; Senate Bill No. 474, Amendment No. 910, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 671 to Assembly Bill No. 8; Senate Amendment No. 668 to Assembly Bill No. 23; Senate Amendment No. 719 to Assembly Bill No. 34; Senate Amendments Nos. 917, 932, 964 to Assembly Bill No. 49; Senate Amendment No. 729 to Assembly Bill No. 50; Senate Amendment No. 844 to Assembly Bill No. 51; Senate Amendment No. 728 to Assembly Bill No. 67; Senate Amendment No. 748 to Assembly Bill No. 69; Senate Amendment No. 863 to Assembly Bill No. 70; Senate Amendment No. 828 to Assembly Bill No. 89; Senate Amendment No. 753 to Assembly Bill No. 93; Senate Amendment No. 676 to Assembly Bill No. 94; Senate Amendment No. 709 to Assembly Bill No. 113; Senate Amendment No. 711 to Assembly Bill No. 114; Senate Amendments Nos. 829, 877 to Assembly Bill No. 115; Senate Amendment No. 830 to Assembly Bill No. 126; Senate Amendment No. 670 to Assembly Bill No. 138; Senate Amendment No. 761 to Assembly Bill No. 163; Senate Amendment No. 762 to Assembly Bill No. 170; Senate Amendment No. 701 to Assembly Bill No. 173; Senate Amendment No. 937 to Assembly Bill No. 178; Senate Amendment No. 686 to Assembly Bill No. 191; Senate Amendment No. 842 to Assembly Bill No. 238; Senate Amendment No. 746 to Assembly Bill No. 239; Senate Amendments Nos. 745, 958 to Assembly Bill No. 263; Senate Amendment No. 716 to Assembly Bill No. 293; Senate Amendment No. 831 to Assembly Bill No. 295; Senate Amendment No. 843 to Assembly Bill No. 325; Senate Amendment No. 906 to Assembly Bill No. 328; Senate Amendment No. 804 to Assembly Bill No. 341; Senate Amendment No. 781 to Assembly Bill No. 351; Senate Amendment No. 765 to Assembly Bill No. 364; Senate Amendment No. 712 to Assembly Bill No. 386; Senate Amendment No. 938 to Assembly Bill No. 409; Senate Amendment No. 888 to Assembly Bill No. 421; Senate Amendment No. 908 to Assembly Bill No. 428; Senate Amendment No. 806 to Assembly Bill No. 447; Senate Amendments Nos. 816, 884 to Assembly Bill No. 452; Senate Amendment No. 793 to Assembly Bill No. 457; Senate Amendment No. 677 to Assembly Bill No. 462; Senate Amendment No. 867 to Assembly Joint Resolution No. 10.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in Senate Amendment No. 913 to Assembly Bill No. 240; Senate Amendment No. 777 to Assembly Bill No. 461.

Also, I have the honor to inform your honorable body that the Assembly on this day receded from its action on Senate Bill No. 168, Assembly Amendment No. 941.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 52, Assembly Amendment No. 751, and requests a conference, and appointed Assemblymen Nelson, Gardner and Ohrenschall as a Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 95, Assembly Amendment No. 814, and requests a conference, and appointed Assemblymen Armstrong, Hickey and Bustamante Adams as a Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 193, Assembly Amendment No. 839, and requests a conference, and appointed Assemblymen Kirner, Nelson and Araujo as a Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 340, Assembly Amendment No. 824, and requests a conference, and appointed Assemblymen Ellison, Wheeler and Kirkpatrick as a Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 376, Assembly Amendment No. 810, and requests a conference, and appointed Assemblymen Wheeler, Dickman and Flores as a Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 482, Assembly Amendment No. 930, and requests a conference, and appointed Assemblymen Ellison, Oscarson and Carrillo as a Conference Committee to meet with a like committee of the Senate.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

Senator Atkinson moved that Assembly Bill No. 167 be taken from the Secretary's desk and placed on the General file.

Motion carried.

Senator Settelmeyer moved that Assembly Bill No. 71 be taken from the General File and placed on the Secretary's desk.

Motion carried.

Senator Roberson appointed Senator Hardy to serve as an alternate committee member on the Committee on Finance with full committee privileges for Senator Kieckhefer, until further notice, per Senate Standing Rule No. 41.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 203.

Senator Roberson moved that the bill be referred to the Committee on Transportation.

Motion carried.

Assembly Bill No. 389.

Senator Roberson moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

Assembly Bill No. 438.

Senator Roberson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 443.

Senator Roberson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 466.

Senator Roberson moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

Assembly Bill No. 469.

Senator Roberson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 472.

Senator Roberson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 473.

Senator Roberson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 474.

Senator Roberson moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 482.

Senator Roberson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 483.

Senator Roberson moved that the bill be referred to the Committee on Education.

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 107.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 975.

SUMMARY—~~Provides for the award of a categorical grant to agencies which provide child welfare services for providing certain services.~~ Requires certain oversight of and reporting concerning children placed in specialized foster homes. (BDR 38-194)

~~AN ACT relating to the protection of children; ~~providing for the award of a categorical grant to each agency which provides child welfare services for providing services to children placed in specialized foster homes and to children who remain under the jurisdiction of the court after reaching~~~~

~~18 years of age;]~~ requiring the Division of Child and Family Services of the Department of Health and Human Services to conduct an annual review of the placement of children in specialized foster homes by an agency which provides child welfare services; authorizing the Administrator of the Division to require an agency which provides child welfare services to take corrective action in certain circumstances; requiring the Division to submit an annual report concerning specialized foster care to the Governor and the Legislature; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~[Section 3 of this bill requires the Division of Child and Family Services of the Department of Health and Human Services to provide a categorical grant to each agency which provides child welfare services for each fiscal year for providing services to children placed in a specialized foster home. Section 5 of this bill requires the Division to provide a categorical grant to each agency which provides child welfare services for each fiscal year for providing services to children who remain under the jurisdiction of the court after reaching 18 years of age.] Existing law defines a "specialized foster home" as a foster home which provides full-time care and services for one to six children who: (1) require special care for physical, mental or emotional issues; (2) are under 18 years of age or remain under the jurisdiction of a court; (3) are not related within the first degree of consanguinity or affinity to any natural person maintaining or operating the home; and (4) are received, cared for and maintained for compensation or otherwise, including the provision of free care. (NRS 424.018) Section 3.5 of this bill requires an agency which provides child welfare services to provide certain information concerning children placed in specialized foster homes to the Division of Child and Family Services of the Department of Health and Human Services. Section 3.6 of this bill requires the Division to periodically review the placement of children in specialized foster homes by an agency which provides child welfare services. If, after the review, the Division determines that the agency which provides child welfare services is placing children in specialized foster homes inappropriately or that children placed in such foster homes are not receiving the care and services that they need, section 3.6 requires the Administrator of the Division to require the agency which provides child welfare services to take corrective action. Section 3.7 of this bill requires the Division to submit an annual report to the Governor and the Legislature that contains certain information concerning children who are placed in specialized foster homes.~~

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

Section 1. Chapter 424 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 ~~and 3~~ to 3.7, inclusive, of this act.

Sec. 2. "Agency which provides child welfare services" has the meaning ascribed to it in NRS 432B.030.

~~Sec. 3. [1. The Division shall provide a categorical grant to each agency which provides child welfare services for each fiscal year for providing services to children in a specialized foster home to the extent that money has been appropriated to the Division for that purpose. The amount of the grant must be based upon the estimated cost of the projected growth in child welfare services provided to children in a specialized foster home.~~

~~2. The amount of the grant awarded pursuant to subsection 1 must be determined for 2 years beginning on July 1 of each odd numbered year and allocated each fiscal year.~~

~~3. An agency which provides child welfare services that receives a grant pursuant to subsection 1 must use the money allocated only for costs associated with providing child welfare services to children in a specialized foster home. Any money from the grant awarded pursuant to subsection 1 that has not been used or committed for expenditure by the agency which provides child welfare services by the end of the fiscal year reverts to the State General Fund.] (Deleted by amendment.)~~

Sec. 3.5. 1. Each agency which provides child welfare services shall ensure that money allocated to pay for the cost of providing care to children placed in a specialized foster home is not used for any other purpose.

2. On or before August 1 of each year, each agency which provides child welfare services shall prepare and submit to the Division and the Fiscal Analysis Division of the Legislative Counsel Bureau a report listing all expenditures relating to the placement of children in specialized foster homes for the previous fiscal year.

3. Each agency which provides child welfare services shall provide to the Division any data concerning children who are placed in a specialized foster home by the agency upon the request of the Division.

Sec. 3.6. 1. The Division shall periodically review the placement of children in specialized foster homes by each agency which provides child welfare services to determine whether children are being appropriately placed in such foster homes and are receiving the care and services that they need. Such a review may include, without limitation, an examination of:

(a) Demographics of children who are placed in specialized foster homes;

(b) Information from clinical evaluations of children who are placed in specialized foster homes;

(c) Relevant information submitted to the Department of Health and Human Services pursuant to the State Plan for Medicaid;

(d) Case files maintained by the agency which provides child welfare services for children who are placed in specialized foster homes; and

(e) Any other information determined to be relevant by the Division.

2. If, after conducting a review pursuant to subsection 1, the Division determines that an agency which provides child welfare services is inappropriately placing children in specialized foster homes or that children placed in such foster homes are not receiving the care and services that they need, the Administrator of the Division shall require the agency which

provides child welfare services to take corrective action. If an agency fails to take the corrective action required by the Administrator, the Division may require the agency which provides child welfare services to develop a corrective action plan pursuant to NRS 432B.2155.

Sec. 3.7. 1. The Division shall, on or before January 31 of each year, prepare and submit to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report concerning the placement of children in specialized foster homes and the provision of services to children placed in such foster homes for the previous fiscal year. The report must include, without limitation:

(a) The number of times a child who has been placed in a specialized foster home has been hospitalized;

(b) The number of times a child who has been placed in a specialized foster home has run away from the specialized foster home;

(c) Information concerning the use of psychotropic medications by children who have been placed in specialized foster homes;

(d) The progress of children who have been placed in specialized foster homes towards permanent living arrangements;

(e) The performance of children who have been placed in specialized foster homes on clinical standardized assessment tools;

(f) Information concerning the academic standing and performance of children who have been placed in specialized foster homes;

(g) The number of children who have been placed in specialized foster homes who have been adjudicated delinquent; and

(h) The results of the reviews conducted pursuant to section 3.6 of this act.

2. All information in the report prepared pursuant to subsection 1 must be aggregated and the report must exclude any personal identifiable information about a child.

Sec. 4. NRS 424.010 is hereby amended to read as follows:

424.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 424.012 to 424.018, inclusive, and section 2 of this act have the meanings ascribed to them in those sections.

Sec. 5. [Chapter 432B of NRS is hereby amended by adding thereto a new section to read as follows:

~~1. The Division of Child and Family Services shall provide a categorical grant to each agency which provides child welfare services for each fiscal year for providing services to children who are over the age of 18 years who remain under the jurisdiction of a court pursuant to NRS 432B.504 to the extent that money has been appropriated to the Division for that purpose. The amount of the grant must be based upon the estimated cost of the projected growth in child welfare services provided to children under the jurisdiction of a court pursuant to NRS 432B.504.~~

~~2. The amount of the grant awarded pursuant to subsection 1 must be determined for 2 years beginning on July 1 of each odd-numbered year and allocated each fiscal year.~~

~~3. An agency which provides child welfare services that receives a grant pursuant to subsection 1 must use the money allocated only for costs associated with providing child welfare services to children who are over the age of 18 years who remain under the jurisdiction of the court pursuant to NRS 432B.594. Any money from the grant awarded pursuant to subsection 1 that has not been used or committed for expenditure by the agency which provides child welfare services by the end of the fiscal year reverts to the State General Fund.] (Deleted by amendment.)~~

Sec. 6. [NRS 432B.591 is hereby amended to read as follows:

432B.591 As used in NRS 432B.591 to 432B.595, inclusive, ~~and section 5 of this act,~~ "child" means a person who is:

1. Under the age of 18 years; and
2. Over the age of 18 years and who remains under the jurisdiction of the court pursuant to NRS 432B.594.] (Deleted by amendment.)

Sec. 7. The first report that each agency which provides child welfare services is required to prepare and submit pursuant to section 3.5 of this act must be submitted on or before August 1, 2016.

~~[Sec. 7.]~~ Sec. 8. 1. This [act becomes] section and sections 1 to 3.6, inclusive, and 4 to 7, inclusive, become effective on July 1, 2015.

2. Section 3.7 of this act becomes effective on July 1, 2016, and expires by limitation on July 1, 2021.

Senator Roberson moved the adoption of the amendment.

Remarks by Senator Roberson.

Senate Bill No. 107, as amended, requires that child welfare agencies administer a specialized foster care program, and that money allocated for the program must only be spent on that purpose. Senate Bill No. 107 also requires the child welfare agencies to submit annually to the Division of Child and Family Services (DCFS) and to the Fiscal Analysis Division a report listing all expenditures for the preceding year for this program.

Additionally, Senate Bill No. 107 provides that children admitted to the specialized foster care program meet certain criteria and that DCFS monitor and verify compliance with the admission criteria.

Finally, Senate Bill No. 107 requires the DCFS to evaluate annually each child welfare agency's program and outcomes, and submit an annual report to the Governor and the Legislature. This act becomes effective on July 1, 2015.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

GENERAL FILE AND THIRD READING

Senate Bill No. 99.

Bill read third time.

Remarks by Senator Brower.

We discussed briefly the amendment that essentially constituted a new and improved bill. I want to thank all of the stakeholders for putting this work product together. Particularly, our colleague from Las Vegas, the former Chair of the Senate Judiciary Committee, who was instrumental in making this work and making the compromise language work.

Roll call on Senate Bill No. 99:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Senate Bill No. 99 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 460.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 945.

SUMMARY—Revises provisions related to the statewide system of accountability for public schools. (BDR 34-1108)

AN ACT relating to education; providing an alternative performance framework to evaluate certain schools which serve certain populations; providing the manner in which a school may apply to be rated using the alternative performance framework; requiring the statewide system of accountability to include a method to provide grants and other financial support to certain public schools; revising provisions relating to the revocation or termination of written charters or charter contracts; authorizing the restart of certain charter schools under a new charter contract in certain circumstances; prohibiting the Department of Education from considering a school's annual rating pursuant to the statewide system of accountability based upon the performance of a school for the 2014-2015 school year when imposing consequences on public schools; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The federal No Child Left Behind Act of 2001 requires each state to have a single, statewide system of accountability applicable to all pupils. (20 U.S.C. §§ 6301 et seq.) In 2011, the United States Department of Education made it possible for states to apply to the Department for a waiver of some of the provisions of the Act. In August 2012, the Nevada Department of Education received approval from the United States Department of Education to implement an accountability system for public schools that allows for a waiver from some of the specific provisions of the Act. This approval is conditioned on the Nevada Department of Education tracking the performance of pupils in public schools, including measuring, reporting and supporting the achievement of pupils. Since the approval of the waiver, the Nevada Department of Education has developed the Nevada School Performance Framework for the statewide system of accountability for public schools. (NRS 385.347)

Existing law requires the statewide system of accountability to: (1) include a method to rate each public school; (2) include a method to implement consequences, rewards and supports for public schools based upon the

ratings; and (3) establish annual measurable objectives and performance targets for public schools. (NRS 385.3594) Section 2 of this bill requires the State Board of Education to adopt regulations that prescribe: (1) an alternative performance framework to evaluate certain schools which serve certain populations; and (2) the manner in which such schools will be included in the statewide system of accountability.

Section 3 of this bill requires a public school, including, without limitation, a charter school, that wishes to be rated using the alternative performance framework prescribed by the State Board to request the board of trustees of the school district or sponsor of the charter school, as applicable, to apply to the State Board on behalf of the school for approval to be rated using the alternative performance framework. If approved, section 3 provides that the board of trustees of the school district or the sponsor of a charter school, as applicable, must apply to the State Board on behalf of the school to be rated using the alternative performance framework. Section 3 also prescribes eligibility requirements for a school to be rated using the alternative performance framework.

The No Child Left Behind Act of 2001 requires each state to have a single, statewide system of accountability applicable to all pupils, challenging academic content standards and periodic examinations on those challenging academic standards. (20 U.S.C. §§ 6301 et seq.) Existing law establishes certain requirements for the statewide system of accountability for public schools. (NRS 385.3594) Section 3.25 of this bill requires the statewide system of accountability to include a method to provide grants and other financial support, to the extent that money is available from legislative appropriation, to public schools receiving one of the two lowest ratings of performance pursuant to the statewide system of accountability for public schools.

Existing law requires the sponsor of a charter school to revoke the written charter or terminate the charter contract of a charter school if the charter school receives three consecutive annual ratings established as the lowest rating possible indicating underperformance of a public school, as determined by the Department of Education pursuant to the statewide system of accountability for public schools. (NRS 386.5351) Section 4 of this bill instead requires the sponsor of a charter school to revoke the written charter or terminate the charter contract of a charter school or restart the charter school under a new charter contract if the charter school receives an annual rating established as the lowest possible rating indicating underperformance for any 3 out of 5 years. Section 4 requires the Department to adopt regulations governing procedures for the restart of a charter school under a new charter contract.

Section 4 also prohibits the Department from considering a school's annual rating pursuant to the statewide system of accountability based upon the performance of a school for the 2014-2015 school year.

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

Section 1. Chapter 385 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *The State Board shall adopt regulations that prescribe an alternative performance framework to evaluate public schools that are approved pursuant to section 3 of this act. Such regulations must include, without limitation, an alternative manner in which to evaluate such a school and the manner in which the school will be included within the statewide system of accountability set forth in NRS 385.3455 to 385.3891, inclusive.*

2. *The regulations adopted pursuant to subsection 1 must also set forth the manner in which:*

(a) The progress of pupils enrolled in a public school for which an alternative performance framework has been approved pursuant to section 3 of this act will be accounted for within the statewide system of accountability; and

(b) To report the results of pupils enrolled in such a public school on the examinations administered pursuant to NRS 389.550 and, if applicable for the grade levels of the pupils enrolled, the examinations administered pursuant to NRS 389.805 and the college and career readiness assessment administered pursuant to NRS 389.807.

Sec. 3. 1. *A public school, including, without limitation, a charter school, that wishes to be rated using the alternative performance framework prescribed by the State Board pursuant to section 2 of this act must request the board of trustees of the school district or sponsor of the charter school, as applicable, to apply to the State Board on behalf of the school for approval to be rated using the alternative performance framework.*

2. *The board of trustees of a school district or the sponsor of a charter school, as applicable, may apply to the State Board on behalf of a school for the school to be rated using the alternative performance framework by submitting a form prescribed by the Department.*

3. *A school is eligible to be rated using the alternative performance framework if:*

(a) The school specifies that the mission of the school is to serve pupils who:

(1) Have been expelled or suspended from a public school, including, without limitation, a charter school;

(2) Have been deemed to be a habitual disciplinary problem pursuant to NRS 392.4655;

(3) Are academically disadvantaged;

(4) Have been adjudicated delinquent;

(5) Have been adjudicated to be in need of supervision for a reason set forth in NRS 62B.320; or

(6) Have an individualized education program; and

(b) *At least 75 percent of the pupils enrolled at the school fall within one or more of the categories listed in paragraph (a).*

4. *As used in this section, "academically disadvantaged" includes, without limitation, being retained in the same grade level two or more times or having a deficiency in the credits required to graduate on time.*

Sec. 3.25. NRS 385.3594 is hereby amended to read as follows:

385.3594 1. The Department shall make every effort to obtain the approval necessary from the United States Department of Education to ensure that the statewide system of accountability for public schools complies with all requirements for the receipt of federal money under the Elementary and Secondary Education Act of 1965, 20 U.S.C. §§ 6301 et seq., as amended.

2. The statewide system of accountability applies to all public schools, regardless of Title I status, and must:

(a) Include a method to, on an annual basis, rate each public school based upon the performance of the school and based upon whether each public school meets the annual measurable objectives and performance targets established pursuant to the statewide system of accountability;

(b) Include a method to implement consequences, rewards and supports for public schools based upon the ratings; ~~and~~

(c) Include a method to provide grants and other financial support, to the extent that money is available from legislative appropriation, to public schools receiving one of the two lowest ratings of performance pursuant to the statewide system of accountability for public schools; and

(d) Establish annual measurable objectives and performance targets for public schools and performance targets for specific groups of pupils, including, without limitation, pupils who are economically disadvantaged, pupils from major racial and ethnic groups, pupils with disabilities and pupils who are limited English proficient. The annual measurable objectives and performance targets must:

(1) Be based primarily upon the measurement of the progress and proficiency of pupils on the examinations administered pursuant to NRS 389.550 or 389.805, as applicable; and

(2) For high schools, include the rate of graduation and the rate of attendance.

3. The statewide system of accountability for public schools may include a method to:

(a) On an annual basis, rate school districts based upon the performance of the public schools within the school district and whether those public schools meet the annual measurable objectives and performance targets established pursuant to the statewide system of accountability; and

(b) Implement consequences, rewards and supports for school districts based upon the ratings.

Sec. 3.5. NRS 386.515 is hereby amended to read as follows:

386.515 1. The board of trustees of a school district may apply to the Department for authorization to sponsor charter schools within the school district in accordance with the regulations adopted by the Department pursuant to NRS 386.540. An application must be approved by the Department before the board of trustees may sponsor a charter school. Not more than 180 days after receiving approval to sponsor charter schools, the board of trustees shall provide public notice of its ability to sponsor charter schools and solicit applications for charter schools.

2. The State Public Charter School Authority shall sponsor charter schools whose applications have been approved by the State Public Charter School Authority pursuant to NRS 386.525. Except as otherwise provided by specific statute, if the State Public Charter School Authority sponsors a charter school, the State Public Charter School Authority is responsible for the evaluation, monitoring and oversight of the charter school.

3. A college or university within the Nevada System of Higher Education may submit an application to the Department to sponsor charter schools in accordance with the regulations adopted by the Department pursuant to NRS 386.540. An application must be approved by the Department before a college or university within the Nevada System of Higher Education may sponsor charter schools.

4. Each sponsor of a charter school shall carry out the following duties and powers:

(a) Evaluating applications to form charter schools as prescribed by NRS 386.525;

(b) Approving applications to form charter schools that the sponsor determines are high quality, meet the identified educational needs of pupils and will serve to promote the diversity of public educational choices in this State;

(c) Declining to approve applications to form charter schools that do not satisfy the requirements of NRS 386.525;

(d) Negotiating and executing charter contracts pursuant to NRS 386.527;

(e) Monitoring, in accordance with NRS 386.490 to 386.649, inclusive, and in accordance with the terms and conditions of the applicable charter contract, the performance and compliance of each charter school sponsored by the entity; and

(f) Determining whether the charter contract of a charter school that the entity sponsors merits renewal or whether the renewal of the charter contract should be denied or whether the written charter should be revoked or the charter contract terminated ~~or~~ *or restarted*, as applicable, in accordance with NRS 386.530, 386.535 or 386.5351, as applicable.

5. Each sponsor of a charter school shall develop policies and practices that are consistent with state laws and regulations governing charter schools. In developing the policies and practices, the sponsor shall review and evaluate nationally recognized policies and practices for sponsoring

organizations of charter schools. The policies and practices must include, without limitation:

(a) The organizational capacity and infrastructure of the sponsor for sponsorship of charter schools, which must not be described as a limit on the number of charter schools the sponsor will approve;

(b) The procedure and criteria for evaluating charter school applications in accordance with NRS 386.525 and for the renewal of charter contracts pursuant to NRS 386.530;

(c) A description of how the sponsor will maintain oversight of the charter schools it sponsors; and

(d) A description of the process of evaluation for the charter schools it sponsors in accordance with NRS 386.610.

6. Evidence of material or persistent failure to carry out the powers and duties of a sponsor prescribed by this section constitutes grounds for revocation of the entity's authority to sponsor charter schools.

Sec. 4. NRS 386.5351 is hereby amended to read as follows:

386.5351 1. The sponsor of a charter school shall revoke the written charter or terminate the charter contract of the charter school *or restart the charter school under a new charter contract* if the charter school receives three ~~consecutive~~ annual ratings established as the lowest rating possible indicating underperformance of a public school, as determined by the Department pursuant to the statewide system of accountability for public schools ~~[-]~~, *for any 3 out of 5 years*. A charter school's annual rating pursuant to the statewide system of accountability based upon the performance of the charter school ~~for any~~ *must not be included in the count of annual ratings for the purposes of this subsection for:*

~~(a) Any school year before the 2013-2014 school year [must not be included in the count of consecutive annual ratings for the purposes of this subsection.]; and~~

~~(b) The 2014-2015 school year.~~

2. If a written charter is revoked or a charter contract is terminated pursuant to subsection 1, the sponsor of the charter school shall submit a written report to the Department and the governing body of the charter school setting forth the reasons for the termination *or restart of the charter school* not later than 10 days after revoking the written charter or terminating the charter contract ~~[-]~~ *or restarting the charter school*.

3. The provisions of NRS 386.535 do not apply to the revocation of a written charter or termination of a charter contract *or restart of the charter school* pursuant to this section.

4. *The Department shall adopt regulations governing procedures to restart a charter school under a new charter contract pursuant to subsection 1. Such regulations must include, without limitation, requiring a charter school that is restarted to enroll a pupil who was enrolled in the charter school before the school was restarted before any other eligible pupil is enrolled.*

Sec. 5. (Deleted by amendment.)

Sec. 6. This act becomes effective on July 1, 2015.

Senator Harris moved the adoption of the amendment.

Remarks by Senator Harris.

Senate Bill No. 460, as amended, makes various changes concerning the statewide system of accountability for public schools.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 488.

Bill read third time.

Remarks by Senator Goicoechea.

Senate Bill No. 488 authorizes the State Department of Agriculture to establish a program for the registration of veterinary biological products, as well as animal feed, in the State of Nevada. This is a budget-enabling bill that we need to pass. We will try another shot at it in the other House. The Department of Agriculture allows fees to be established on commercial feed accounts, as well as veterinary biologic and veterinary pharmaceutical products. The programs will be established moving forward to comply with the federal Animal Food Safety Act.

Roll call on Senate Bill No. 488:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Senate Bill No. 488 having received a two-thirds majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 161.

Bill read third time.

Remarks by Senator Roberson.

Assembly Bill No. 161 provides for the Office of Economic Development to grant a partial abatement of Property Taxes and Sales and Use Taxes for up to 20 years for qualified new and existing aircraft related businesses, if the business meets certain employment requirements and eligibility criteria as set forth in the bill.

The amount of the Sales and Use Tax abatement is equal to all Sales and Use Taxes except for the State 2-percent rate and the Property Tax abatement is equal to all Personal Property Taxes.

The Sales and Use and Property Tax abatements are for tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft.

The Sales and Use Tax abatement does not apply to the actual Sales and Use Tax due on the purchase of an aircraft.

The bill also repeals provisions of current law that authorize a Sales and Use Tax exemption for aircraft and major components of aircraft under certain circumstances, which the Nevada Supreme Court has ruled as unconstitutional.

The provisions of Assembly Bill No. 161 are identical to the provisions of Senate Bill No. 93, which passed unanimously by the Senate on April 8, 2015.

This act becomes effective upon passage and approval. Sections 1 to 11, inclusive, of this act, which contain the provisions including the partial abatements authorized by this bill, expire by limitation on June 30, 2035.

Roll call on Assembly Bill No. 161:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Assembly Bill No. 161 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 167.

Bill read third time.

The following amendment was proposed by Senators Atkinson and Hardy:
Amendment No. 1008.

SUMMARY—Authorizes the storage and carrying of firearms and ammunition on the premises of a family foster home or by certain persons who reside in a family foster home under certain circumstances. (BDR 38-234)

AN ACT relating to foster care; authorizing the storage of a firearm and ammunition on the premises of a family foster home in certain circumstances; authorizing certain persons to carry a firearm on their person while in the presence of a foster child in certain circumstances; providing that an agency which provides child welfare services is immune from liability for any injury caused by a firearm on the premises of a family foster home ~~that~~ or that was carried in the presence of a foster child; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Division of Child and Family Services of the Department of Health and Human Services to adopt regulations to establish requirements for the licensure of family foster homes, specialized foster homes, independent living foster homes and group foster homes. (NRS 424.020) Existing regulations require all weapons on the premises of a foster home to be unstrung and unloaded at all times when children are in the home and stored in locked containers or rooms out of the reach of children or made inoperable. Ammunition is required to be kept in a separate locked container and weapons may not be transported in a vehicle in which children are riding unless the weapons are made inoperable and inaccessible. (NAC 424.600) This bill authorizes a law enforcement officer or person lawfully in possession of a firearm or ammunition who holds a permit to carry a concealed firearm to possess the firearm or ammunition on the premises of a family foster home if it is stored in a locked secure storage container except when used for certain lawful purposes ~~or~~ , when carried lawfully, to clean or service the firearm, or if the firearm or ammunition is inoperable and solely ornamental. This bill requires any key, combination or access code to the locked storage container to be kept in the reasonably secure possession of an adult or in a locked combination or biometric safe. This bill also authorizes a ~~provider of family foster care or other person who~~

~~resides in a family foster home~~ law enforcement officer or person who holds a permit to carry a concealed firearm to carry a firearm on his or her person while in the presence of a foster child if ~~the person~~: (1) keeps the firearm ~~is kept~~ in a holster ~~or~~ other similarly secure case; (2) carries the firearm ~~is carried~~ in a manner which ensures that the firearm is inaccessible to the foster child and is in the possession or control of the provider or other person; and (3) ~~the provider or other person is a law enforcement officer or has a permit to carry a concealed~~ returns the firearm ~~to~~ a locked secure storage container when it is not being carried or in use.

Finally, this bill provides that an agency which provides child welfare services is immune from liability for any injury caused by a firearm that is stored on the premises of a family foster home or carried by a provider of family foster care or any other person who resides in a family foster home.

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

Section 1. Chapter 424 of NRS is hereby amended by adding thereto a new section to read as follows:

1. ~~Except as otherwise provided in subsection 3, a~~ A person who is lawfully in possession of a firearm or ammunition ~~listed in paragraph (a) of subsection 4 of NRS 202.350 or holds a permit to carry a concealed firearm pursuant to NRS 202.3653 to 202.369, inclusive, may possess the firearm, whether loaded or unloaded, or ammunition while on the premises of a family foster home~~ but ~~in accordance with the provisions of this section.~~

2. Except as otherwise provided in subsection 4, a person described in subsection 1 who possesses a firearm or ammunition while on the premises of a family foster home must store the firearm or ammunition in a locked secure storage container except ~~when~~ :

(a) When used for a lawful purpose, which may include, without limitation, for an educational or recreational purpose, for hunting, for the defense of a person or property, or to clean or service the firearm ~~or~~ ; or

(b) If the firearm or ammunition is inoperable and solely ornamental.

~~2.3.~~ 3. A person who stores a firearm or ammunition on the premises of a family foster home in a locked secure storage container as required pursuant to subsection ~~1.1~~ 2 shall ensure that any key, combination or access code to the locked secure storage container is kept in the reasonably secure possession of an adult or a locked combination or biometric safe.

~~3.~~ 4. A ~~provider of family foster care or any other person who resides in~~ person who is authorized to possess a firearm on the premises of a family foster home pursuant to subsection 1 ~~may carry a firearm on his or her person, including, without limitation, in a purse, bag, briefcase or other similar means,~~ while in the presence of a foster child, including, without limitation, while operating or riding in a motor vehicle, if ~~the person~~:

~~(a) The~~ Keeps the firearm ~~is kept~~ in a holster ~~or~~ similarly secure case; and

(b) ~~[(The provider or other person carries)]~~ Carries the firearm in a manner which ensures that the firearm is inaccessible to any foster child and is in the possession and control of the provider or other person; and

(c) ~~[(The provider or other person is a person who:~~

~~(1) Is listed in paragraph (a) of subsection 4 of NRS 202.350; or~~

~~(2) Has been issued a permit to carry a concealed firearm pursuant to NRS 202.3653 to 202.369, inclusive.]~~ Returns the firearm to a locked storage container when the firearm is on the premises of a foster home or in the presence of a foster child and is not being carried on his or her person in accordance with this subsection or used for a lawful purpose.

~~4.4~~ 5. An agency which provides child welfare services is immune from civil and criminal liability for any injury resulting from the use of a firearm or ammunition that is stored on the premises of a family foster home or is carried by a provider of family foster care or any other person who resides in a family foster home.

~~5.5~~ 6. As used in this section:

(a) "Firearm" has the meaning ascribed to it in NRS 202.253.

(b) "Secure storage container" means any device, including, without limitation, a safe, gun safe, secure gun case or lock box, that is marketed commercially for storing a firearm or ammunition and is designed to be unlocked only by means of a key, a combination, a biometric lock or other similar means.

Sec. 2. NRS 424.090 is hereby amended to read as follows:

424.090 The provisions of NRS 424.020 to 424.090, inclusive, and section 1 of this act do not apply to homes in which:

1. Care is provided only for a neighbor's or friend's child on an irregular or occasional basis for a brief period, not to exceed 90 days.

2. Care is provided by the legal guardian.

3. Care is provided for an exchange student.

4. Care is provided to enable a child to take advantage of educational facilities that are not available in his or her home community.

5. Any child or children are received, cared for and maintained pending completion of proceedings for adoption of such child or children, except as otherwise provided in regulations adopted by the Division.

6. Except as otherwise provided in regulations adopted by the Division, care is voluntarily provided to a minor child who is related to the caregiver by blood, adoption or marriage.

7. Care is provided to a minor child who is in the custody of an agency which provides child welfare services pursuant to chapter 432B of NRS or a juvenile court pursuant to title 5 of NRS if:

(a) The caregiver is related to the child within the fifth degree of consanguinity; and

(b) The caregiver is not licensed pursuant to the provisions of NRS 424.020 to 424.090, inclusive ~~[-]~~, and section 1 of this act.

Sec. 3. Any regulations adopted pursuant to NRS 424.020 that conflict with section 1 of this act are void.

Sec. 4. This act becomes effective upon passage and approval.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

The amendment provides that a responsible gun owner who is permitted to carry a concealed firearm or a law enforcement officer may possess on his person a firearm, which is holstered while in the presence of the foster child. The firearm needs to immediately be placed in a secured locked combination or biometric safe once it is off the person. A person in this instance means directly on the person, not in a purse, not in a bag, not in a briefcase but on your person. I also would like to thank the Chair of the Health and Human Services and Judiciary Committees for allowing me to work with our most colorful member on the other side on this amendment. I believe we are in a much better place than when we first started.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 234.

Bill read third time.

Remarks by Senator Denis.

Assembly Bill No. 234 requires the Council to Establish Academic Standards for Public Schools to establish standards of content and performance for social studies to include multicultural education. The bill also requires the Council to consult with members of the community who represent the racial and ethnic diversity of this State in developing the standards that must include information relating to contributions made by men and women from various racial and ethnic backgrounds. The measure requires the Commission on Professional Standards in Education to adopt regulations establishing the multicultural course content and credit requirements a teacher must complete to comply with this requirement. A licensed teacher who is initially licensed on or after July 1, 2015, must submit proof of the completion of a course in multicultural education along with the first application for renewal of his or her license to teach. This bill also appropriates \$8,406 from the State General Fund to the Department of Education for costs to reprogram the Department's teacher licensure system and to adopt regulations related to multicultural education. This bill is effective on July 1, 2015.

Roll call on Assembly Bill No. 234:

YEAS—18.

NAYS—Gustavson.

EXCUSED—Kieckhefer, Smith—2.

Assembly Bill No. 234 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 477.

Bill read third time.

Remarks by Senator Hammond.

Assembly Bill No. 477 requires the Administrator of the Taxicab Authority to appoint a staff attorney to perform legal services or serve as a hearing officer. This bill is effective on July 1, 2015.

Roll call on Assembly Bill No. 477:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Assembly Bill No. 477 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

UNFINISHED BUSINESS
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 4.

The following Assembly amendment was read:

Amendment No. 818.

SUMMARY—Revises requirements for the taking of wild mammals on private property. (BDR 45-89)

AN ACT relating to ~~trapping; providing exemptions from certain registration requirements for a trap, snare or similar device~~ wildlife; authorizing certain traps, snares or similar devices used in the trapping of wild mammals ~~on private property;~~ to be registered with the Department of Wildlife; limiting the requirement to obtain a permit to take or kill fur-bearing mammals injuring property; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires that each trap, snare or similar device used in the taking of wild mammals must be registered with the Department of Wildlife before it is used. Existing law also requires that each registered trap, snare or similar device bear a number which is assigned by the Department and is affixed to or marked on the trap, snare or similar device. (NRS 503.452) Section 1 of this bill ~~exempts from those requirements~~ authorizes rather than requires the registration of a trap, snare or similar device used by a person in the taking of wild mammals. Section 1 provides that a trap, snare or similar device must bear a number assigned by the Department only if the trap, snare or similar device is registered with the Department. Section 1 also provides that the provisions relating to the registration and numbering of a trap, snare or similar device do not apply to such a device that is used: (1) exclusively on private property by the owner or occupant of the property or with the permission of the owner or occupant; (2) for the control of rodents by an institution of the Nevada System of Higher Education; ~~for~~ (3) by a federal, state or local governmental agency ~~for~~ ; or (4) for the taking of wild mammals for scientific or educational purposes under a permit issued by the Department.

Existing law provides that fur-bearing mammals injuring property may be taken or killed at any time in any manner if a permit is obtained from the Department. (NRS 503.470) Section 2 of this bill removes the requirement that the owner or occupant of the property obtain a permit in such circumstances.

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

Section 1. NRS 503.452 is hereby amended to read as follows:

503.452 1. ~~Each~~ *Except as otherwise provided in subsection 2, each trap, snare or similar device used by a person in the taking of wild mammals ~~must~~ may be registered with the Department before it is used. Each registered trap, snare or similar device must bear a number which is assigned by the Department and is affixed to or marked on the trap, snare or similar device in the manner specified by regulations adopted by the Commission. The registration of a trap, snare or similar device is valid until the trap, snare or similar device is sold or ownership of the trap, snare or similar device is otherwise transferred.*

2. *The provisions of subsection 1 do not apply to a trap, snare or similar device used:*

(a) Exclusively on private property which is posted or fenced in accordance with the provisions of NRS 207.200 by the owner or occupant of the property or with the permission of the owner or occupant;

(b) For the control of rodents by an institution of the Nevada System of Higher Education; ~~for~~

(c) By any federal, state or local governmental agency ~~for~~; or

(d) For the taking of wild mammals for scientific or educational purposes under a permit issued by the Department pursuant to NRS 503.650.

3. A registration fee of \$10 for each registrant is payable only once by each person who registers a trap, snare or similar device. The fee must be paid at the time the first trap, snare or similar device is registered.

~~3-~~ 4. It is unlawful:

(a) For a person to whom a trap, snare or similar device is registered to allow another person to possess or use the trap, snare or similar device without providing to that person written authorization to possess or use the trap, snare or similar device.

(b) For a person to possess or use a trap, snare or similar device registered to another person without obtaining the written authorization required pursuant to paragraph (a). If a person obtains written authorization to possess or use a trap, snare or similar device pursuant to paragraph (a), the person shall ensure that the written authorization, together with his or her trapping license, is in his or her possession during any period in which he or she uses the trap, snare or similar device to take fur-bearing mammals.

~~4-~~ 5. A person to whom a trap, snare or similar device is registered pursuant to this section shall report any theft of the trap, snare or similar device to the Department as soon as it is practical to do so after the person discovers the theft.

~~5-~~ 6. Any information in the possession of the Department concerning the registration of a trap, snare or similar device is confidential and the Department shall not disclose that information unless required to do so by law or court order.

Sec. 2. NRS 503.470 is hereby amended to read as follows:

503.470 1. Fur-bearing mammals injuring any property may be taken or killed at any time in any manner ~~[, provided a permit is first obtained from the Department.]~~ *by the owner or occupant of the property or with the permission of the owner or occupant.*

2. When the Department has determined from investigations or upon a petition signed by the owners of 25 percent of the land area in any irrigation district or the area served by a ditch company alleging that an excessive population of beaver or otter exists or that beaver or otter are doing damage to lands, streams, ditches, roads or water control structures, the Department shall remove such excess or depredating beaver or otter.

Sec. 3. This act becomes effective upon passage and approval.

Senator Gustavson moved that Senate Bill No. 4 be taken from the Unfinished Business File and placed on the Unfinished Business File for the next legislative day.

Motion carried.

Senate Bill No. 481.

The following Assembly amendments were read.

Amendment No. 782.

SUMMARY—Revises provisions relating to ~~[counties and cities.]~~ certain local governments. (BDR 20-1114)

AN ACT relating to local governments; prohibiting a county, ~~[or]~~ incorporated city or regional transportation commission from creating, maintaining or displaying ~~[in any format]~~ a comprehensive model or map of the physical location of all or a substantial portion of the facilities ~~[or critical infrastructure]~~ of a public utility, public water system or video service provider; ~~[authorizing]~~ providing that the prohibition does not limit the authority of a county, ~~[or]~~ city or regional transportation commission to require a public utility, public water system, ~~[or]~~ or video service provider ~~[or any other person]~~ to disclose information relating to the physical location of the facilities ~~[or critical infrastructure]~~ of ~~[a]~~ the public utility, public water system or video service provider ~~[only under certain circumstances;]~~ to facilitate certain public projects; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill prohibits a county, ~~[and]~~ incorporated city, ~~[or]~~ regional transportation commission, respectively, from creating, maintaining or displaying ~~[in any format, including, without limitation, a digital or electronic format.]~~ a comprehensive model or map of the location of all or a substantial portion of the facilities ~~[or critical infrastructure]~~ of a public utility, public water system or video service provider. This bill further ~~[authorizes]~~ provides that the prohibition does not limit the authority of a county, ~~[or]~~ city or regional transportation system to require a public utility, public water system or video service provider ~~[or any other person]~~ to

provide information to the county, ~~for~~ city or commission relating to the physical location of the facilities ~~for critical infrastructure~~ of the public utility, public water system or video service provider ~~[pursuant to certain agreements executed between the public utility, public water system, video service provider or person and the county or city, respectively.]~~ to facilitate certain public projects.

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

Section 1. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A county, including, without limitation, any board ~~for~~ or planning agency ~~for other political subdivision~~ of the county, shall not create, maintain or display ~~in any format, including, without limitation, a digital or electronic format,~~ a comprehensive model or map of the physical location of all or a substantial portion of the facilities ~~for critical infrastructure~~ of a public utility, public water system or video service provider.*

2. ~~1.4~~ *The provisions of subsection 1 do not limit the authority of a county, including, without limitation, any board ~~for~~ or planning agency ~~for other political subdivision~~ of the county, ~~may~~ to require a public utility, public water system, video service provider ~~for other person~~ to provide information about the physical location of the facilities ~~for critical infrastructure~~ of the public utility, public water system or video service provider ~~only pursuant to a franchise, right of way or similar occupancy agreement entered into with the public utility, public water system, video service provider or other person.~~ for the purpose of facilitating a public work.*

3. *As used in this section:*

(a) ~~["Critical infrastructure" means any asset of a public utility, public water system or video service provider that is essential for the operation of the public utility, public water system or video service provider, as applicable.~~

~~(b)~~ *"Public utility" has the meaning ascribed to it in NRS 704.020.*

~~(c)~~ *(b) "Public water system" has the meaning ascribed to it in NRS 445A.235 ~~for~~, except the term does not include a water system that is owned or operated by the county.*

~~(c)~~ *"Public work" has the meaning ascribed to it in NRS 338.010.*

~~(d)~~ *"Video service provider" has the meaning ascribed to it in NRS 711.151.*

Sec. 2. (Deleted by amendment.)

Sec. 3. Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *An incorporated city, including, without limitation, any board ~~for~~ or planning agency ~~for other political subdivision~~ of the city, shall not create, maintain or display ~~in any format, including, without limitation, a digital or electronic format,~~ a comprehensive model or map of the physical location of*

all or a substantial portion of the facilities ~~for critical infrastructure~~ of a public utility, public water system or video service provider.

2. ~~4.1.1~~ The provisions of subsection 1 do not limit the authority of an incorporated city, including, without limitation, any board ~~f, j~~ or planning agency ~~for other political subdivision~~ of the city, ~~may~~ to require a public utility, public water system ~~f, j~~ or video service provider ~~for other person~~ to provide information about the physical location of the facilities ~~for critical infrastructure~~ of the public utility, public water system or video service provider ~~only pursuant to a franchise, right of way or similar occupancy agreement entered into with the public utility, public water system, video service provider or other person.~~ for the purpose of facilitating a public work or a public improvement project pursuant to a franchise agreement.

3. As used in this section:

(a) ~~["Critical infrastructure" means any asset of a public utility, public water system or video service provider that is essential for the operation of the public utility, public water system or video service provider, as applicable.~~

~~*(b) "Public utility" has the meaning ascribed to it in NRS 704.020.*~~

~~*(c) , except the term does not include a sewer system that is owned or operated by the city.*~~

~~*(b) "Public water system" has the meaning ascribed to it in NRS 445A.235 f, j, except the term does not include a sewer system that is owned or operated by the city.*~~

~~*(c) "Public work" has the meaning ascribed to it in NRS 338.010.*~~

~~*(d) "Video service provider" has the meaning ascribed to it in NRS 711.151.*~~

Sec. 3.5. Chapter 277A of NRS is hereby amended by adding thereto a new section to read as follows:

1. A commission shall not create, maintain or display a comprehensive model or map of the physical location of all or a substantial portion of the facilities of a public utility, public water system or video service provider.

2. The provisions of subsection 1 do not limit the authority of a commission to require a public utility, public water system or video service provider to provide information about the physical location of the facilities of the public utility, public water system or video service provider for the purpose of facilitating a project.

3. As used in this section:

(a) "Public utility" has the meaning ascribed to it in NRS 704.020.

(b) "Public water system" has the meaning ascribed to it in NRS 445A.235.

(c) "Video service provider" has the meaning ascribed to it in NRS 711.151.

Sec. 4. This act becomes effective on July 1, 2015.

Amendment No. 952.

SUMMARY—Revises provisions relating to certain local governments. (BDR 20-1114)

AN ACT relating to local governments; prohibiting a county, incorporated city or regional transportation commission from creating, maintaining or displaying a comprehensive model or map of the physical location of all or a substantial portion of the facilities of a public utility, public water system or video service provider; providing that the prohibition does not limit the authority of a county, city or regional transportation commission to require a public utility, public water system or video service provider to disclose information relating to the physical location of the facilities of the public utility, public water system or video service provider to facilitate certain public projects; revising provisions relating to municipal utilities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~[This bill prohibits]~~ Sections 1, 3 and 3.5 of this bill prohibit a county, incorporated city or regional transportation commission, respectively, from creating, maintaining or displaying a comprehensive model or map of the location of all or a substantial portion of the facilities of a public utility, public water system or video service provider. This ~~[bill further provides that the]~~ prohibition does not limit the authority of a county, city or regional transportation system to require a public utility, public water system or video service provider to provide information to the county, city or commission relating to the physical location of the facilities of the public utility, public water system or video service provider to facilitate certain public projects.

Sections 2.3 and 3.3 of this bill provide that if real property is located within the service area of a municipal utility, the provision of services by the municipal utility to the property may not be conditioned upon the property owner agreeing to annexation of the real property to the city.

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

Section 1. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A county, including, without limitation, any board or planning agency of the county, shall not create, maintain or display a comprehensive model or map of the physical location of all or a substantial portion of the facilities of a public utility, public water system or video service provider.*

2. *The provisions of subsection 1 do not limit the authority of a county, including, without limitation, any board or planning agency of the county, to require a public utility, public water system, video service provider to provide information about the physical location of the facilities of the public utility, public water system or video service provider for the purpose of facilitating a public work.*

3. *As used in this section:*

(a) *"Public utility" has the meaning ascribed to it in NRS 704.020.*

(b) "Public water system" has the meaning ascribed to it in NRS 445A.235, except the term does not include a water system that is owned or operated by the county.

(c) "Public work" has the meaning ascribed to it in NRS 338.010.

(d) "Video service provider" has the meaning ascribed to it in NRS 711.151.

Sec. 2. (Deleted by amendment.)

Sec. 2.3. Chapter 266 of NRS is hereby amended by adding thereto a new section to read as follows:

If real property is located within the service area of a public utility acquired or established by a city council pursuant to NRS 266.290, the provision of services by the public utility to the property may not be conditioned upon the property owner agreeing to annexation of the real property to the city.

Sec. 2.5. Chapter 268 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 and 3.3 of this act.

Sec. 3. [~~Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:~~]

1. *An incorporated city, including, without limitation, any board or planning agency of the city, shall not create, maintain or display a comprehensive model or map of the physical location of all or a substantial portion of the facilities of a public utility, public water system or video service provider.*

2. *The provisions of subsection 1 do not limit the authority of an incorporated city, including, without limitation, any board or planning agency of the city, to require a public utility, public water system or video service provider to provide information about the physical location of the facilities of the public utility, public water system or video service provider for the purpose of facilitating a public work or a public improvement project pursuant to a franchise agreement.*

3. *As used in this section:*

(a) "Public utility" has the meaning ascribed to it in NRS 704.020, except the term does not include a sewer system that is owned or operated by the city.

(b) "Public water system" has the meaning ascribed to it in NRS 445A.235, except the term does not include a sewer system that is owned or operated by the city.

(c) "Public work" has the meaning ascribed to it in NRS 338.010.

(d) "Video service provider" has the meaning ascribed to it in NRS 711.151.

Sec. 3.3. If real property is located within the service area of a municipal utility, the provision of services by the municipal utility to the property may not be conditioned upon the property owner agreeing to annexation of the real property to the city.

Sec. 3.5. Chapter 277A of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A commission shall not create, maintain or display a comprehensive model or map of the physical location of all or a substantial portion of the facilities of a public utility, public water system or video service provider.*

2. *The provisions of subsection 1 do not limit the authority of a commission to require a public utility, public water system or video service provider to provide information about the physical location of the facilities of the public utility, public water system or video service provider for the purpose of facilitating a project.*

3. *As used in this section:*

(a) *"Public utility" has the meaning ascribed to it in NRS 704.020.*

(b) *"Public water system" has the meaning ascribed to it in NRS 445A.235.*

(c) *"Video service provider" has the meaning ascribed to it in NRS 711.151.*

Sec. 4. This act becomes effective on July 1, 2015.

Senator Gustavson moved that the Senate concur in Assembly Amendments Nos. 782, 952 to Senate Bill No. 481.

Remarks by Senator Gustavson.

Amendment No. 782 to Senate Bill No. 481 adds regional transportation commissions to the provisions of the bill and clarifies the authority of a local government to require the submission of information related to utility infrastructure. Amendment No. 952 provides that if real property is located within service area of a municipal utility the provisions of the services by the municipal utility to the property may not be conditioned upon the property owner agreeing to annexation to the real property to the city.

Motion carried by a constitutional majority.

Bill ordered enrolled.

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

Senate in recess at 2:36 p.m.

SENATE IN SESSION

At 3:14 p.m.

President Hutchison presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Senate Bill No. 460.

Bill read third time.

Remarks by Senator Harris.

Senate Bill No. 460 makes various changes concerning the statewide system of accountability for public schools. Specifically, the bill requires the State Board of Education to adopt regulations prescribing an alternative performance framework to evaluate schools serving certain at-risk populations. It requires the system of accountability to include a method to provide for grants and other supports to public schools. It prescribes the eligibility criteria and application

process; changes the automatic closure provisions for persistently under-performing charter schools to include those schools receiving the lowest possible annual rating for any three years in a five year period; adds school restart as an alternative to school closure as an alternative to persistently underperforming charter schools. It also requires the Department of Education to prescribe related regulations. For purposes of accountability, it prohibits the Department of Education from considering a school's annual performance for the 2014-2015 school year. The bill is effective on July 1, 2015.

Roll call on Senate Bill No. 460:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Senate Bill No. 460 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 167.

Bill read third time.

Remarks by Senators Hardy, Spearman, Atkinson and Brower.

SENATOR HARDY:

Assembly Bill No. 167 allows foster parents to have a gun and have it properly secured in order to be able to qualify to be foster parents.

SENATOR SPEARMAN:

No indifference to my colleague from Senate District 4 or Senate District 12, but I have seen how weapons in the home affect people, especially when they are found injured or dead, tragedies happen. They have worked hard on this bill. There are a number of people who have come together to make sure the amendment that we have was a good one. However, because of past experiences, I will be voting against this bill.

SENATOR ATKINSON:

While I appreciate the comments from my colleague from Senate District 1, I would like to point out a couple things to you. First, over 3,000 children in Clark County are in foster care. They are looking for someone, anyone, to come and provide them with a home. Second, if you take a look at the amendment, it makes the bill a lot better than where we started. It provides for responsible gun owners to be able to care for one, two, three or maybe four foster kids that are out there. While I understand the concern placed on gun owners in and around children, I will submit to you that today a person can apply for a license to be a foster parent simply all they have to do is make sure that when the agency comes to the house that the firearm is locked away or what have you. This actually makes them more honest. I think in the other realm someone can take the firearm and just put it in the location it is supposed to be in for the purposes of passing the check for when the agency comes out. This at least makes them more honest. I told you, last Session, I am a big fan of gun ownership. My father was murdered at the hands of gun. I never blamed that gun. I blamed the individual that did it. This makes responsible gun ownership. If you look at some of the circumstances and situations that my colleague was just speaking about, 99 to 100 percent of those incidents with kids, who perhaps shot a parent in the face at Walmart, the kid who got the gun from the sock—drawer and accidentally shot himself—those were all biological parents. This is an opportunity for foster kids to not have any barriers. Also, this is an opportunity for the foster parents to be able to protect those kids whom are not theirs. I urge passage and hope my colleagues will understand that this is a good effort and a good way to make sure we are not putting barriers up to folks who really want the opportunity to take some of these 3,000 kids out of the system.

SENATOR BROWER:

I also rise in support of Assembly Bill No. 167. I will tell the Body that it gives me great pleasure here, almost at the end of the 78th Session, to say that I agree with everything our colleague from District 4 has said. We have come a long way since week one, not that we have disagreed on that much, but it is nice to be able to finish on this note. I know that our colleague has worked very hard on making this bill workable. I would just single out one of our colleagues comments and echo this—we have so many kids in need of a good family, a foster family. We need to think differently about what is, at the present time, effectively disqualifying some would-be good foster parents from taking in one or more of those kids. This is an excellent compromise. I thank everyone, including our colleagues from Districts 12 and 4 and everyone else who has bothered to try to work on this final product. It is a good product.

Roll call on Assembly Bill No. 167:

YEAS—16.

NAYS—Kihuen, Spearman, Woodhouse—3.

EXCUSED—Kieckhefer, Smith—2.

Assembly Bill No. 167 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 107.

Bill read third time.

Remarks by Senator Roberson.

Senate Bill No. 107 requires that child welfare agencies administer a specialized foster care program, and that money allocated for the program must only be spent on that purpose. Senate Bill No. 107 also requires the child welfare agencies to submit annually to the Division of Child and Family Services (DCFS) and to the Fiscal Analysis Division a report listing all expenditures for the preceding year for this program.

Additionally, Senate Bill No. 107 provides that children admitted to the specialized foster care program meet certain criteria, and that DCFS monitor and verify compliance with the admission criteria.

Finally, Senate Bill No. 107 requires DCFS to evaluate annually each child welfare agency's program and outcomes and submit an annual report to the Governor and the Legislature. This act becomes effective on July 1, 2015.

Roll call on Senate Bill No. 107:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Senate Bill No. 107 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

REPORTS OF COMMITTEES

Mr. President:

Your Committee on Health and Human Services, to which was referred Assembly Bill No. 199, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JOSEPH P. HARDY, *Chair*

Mr. President:

Your Committee on Legislative Operations and Elections, to which was referred Assembly Bill No. 470, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

PATRICIA FARLEY, *Chair*

GENERAL FILE AND THIRD READING

Assembly Bill No. 199.

Bill read third time.

Remarks by Senator Hardy.

This changes a name as well as makes a program for wellness in the State of Nevada and the prevention of chronic disease.

Roll call on Assembly Bill No. 199:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Assembly Bill No. 199 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 470.

Bill read third time.

Remarks by Senator Farley.

Assembly Bill No. 470 eliminates the requirement that the costs charged to other State agencies for carrying out the functions of the Division of Human Resource Management of the Department of Administration be distributed based on the gross annual salaries of the agencies that operate under the provisions of chapter 284 of *Nevada Revised Statutes*.

Roll call on Assembly Bill No. 470:

YEAS—19.

NAYS—None.

EXCUSED—Kieckhefer, Smith—2.

Assembly Bill No. 470 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

UNFINISHED BUSINESS

CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 170.

The following Assembly amendment was read:

Amendment No. 815.

SUMMARY—Provides for a partial abatement of certain taxes for new or expanding data centers and related businesses in this State. (BDR 32-765)

AN ACT relating to economic development; authorizing a person who locates or expands a data center in this State to apply to the Office of Economic Development for a partial abatement of certain property taxes and local sales and use taxes; establishing criteria by which a data center may qualify for such a partial abatement; establishing the maximum duration and percentage of such partial abatements; requiring the Office to approve an

application for a partial abatement if the applicant meets the criteria for eligibility; authorizing the Office to approve a partial abatement of taxes for certain qualified businesses that collocate with a data center for which a partial abatement has been approved; revising provisions governing eligibility for a partial abatement of certain property taxes and sales and use taxes for a data center that is or will be located in a historically underutilized business zone, a redevelopment area, an area eligible for a community development block grant or an enterprise community; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Office of Economic Development to grant a partial abatement of property taxes, business taxes and sales and use taxes to a business that locates or expands in this State and meets certain qualifications for the abatement. (NRS 274.310, 274.320, 360.750, 361.0687, 363B.120, 374.357, 701A.210) Section 1 of this bill authorizes the Office of Economic Development to grant a partial abatement of property taxes and local sales and use taxes to a data center that locates or expands in this State and meets certain qualifications. Section 1 establishes the criteria by which a data center must demonstrate eligibility for a partial abatement, including requirements concerning the number of full-time employees ~~[that must be]~~ employed by a data center who must be residents of Nevada and minimum requirements for capital investment. If the Office of Economic Development approves a partial abatement for a data center, section 1 authorizes the Office of Economic Development to grant the same partial abatement to certain businesses that collocate with the data center. Section 5 of this bill specifies that the amount of the abatement must not exceed 75 percent of the amount of personal property taxes payable by a data center for eligible equipment and machinery located in the data center. Section 6 of this bill specifies the duration of the partial abatement applicable to the local sales and use taxes otherwise payable by a data center for eligible equipment and machinery located in the data center. Section 10.5 of this bill provides that any such abatement of the local sales and use taxes must not include, for Fiscal Year 2015-2016, an abatement of the local school support tax.

Section ~~6~~ 1 prohibits the Office of Economic Development from approving any abatements pursuant to the provisions of sections 1-6, 7-9 and 10-12 of this bill on or after January 1, 2036, but, pursuant to section 13 of this bill, the provisions of sections 1-6, 7-9 and 10-12 will remain effective until December 31, 2056, so that the Office of Economic Development and the Department of Taxation may continue to administer the law with regard to any abatements approved pursuant to the provisions of this bill and in effect on January 1, 2036.

Existing law authorizes the Office of Economic Development to grant, for a period of at least 1 year but not more than 5 years, a partial abatement of property taxes and sales and use taxes to an eligible business that is or will be located in a historically underutilized business zone, a redevelopment area,

an area eligible for a community development block grant or an enterprise community. Under existing law, a data center that locates in such an area is eligible for such partial abatements for a period of at least 1 year but not more than 15 years. (NRS 274.310, 274.320, 274.330, 374.358) Sections 6.5, 9.3-9.7 and 12.5 of this bill delete the provisions which apply specifically to a data center which is or will be located in a historically underutilized business zone, a redevelopment area, an area eligible for a community development block grant or an enterprise community.

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

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

1. *A person who intends to locate or expand a data center in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded data center pursuant to chapter 361 or 374 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 application is consistent with 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 any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.*

(b) *The applicant has executed an agreement with the Office of Economic Development which must:*

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

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

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

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

(c) *The applicant 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 each county, city or town in which the data center operates.*

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

(1) *The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added ~~25~~ 10 or more full-time employees who are residents of Nevada and who*

will be employed at the data center and will continue to employ ~~25~~ 10 or more full-time employees who are residents of Nevada at the data center until at least the date which is 10 years after the date on which the abatement becomes effective.

(2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make ~~1~~ 1 in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least ~~(\$50,000,000 in this State)~~ \$25,000,000 in capital assets that will be used or located at the data center.

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

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

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection ~~10~~ 12.

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

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

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

(2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make ~~1~~ 1 in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least

\$100,000,000 ~~in this State~~ in capital assets that will be used or located at the data center.

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

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

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection ~~4-07~~ 12.

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

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

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

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

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

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

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

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

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

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

(a) The Department;

(b) The Nevada Tax Commission; and

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

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office may also approve a partial abatement of taxes for each colocated business that enters into a contract to use or occupy, for a period of at least 2 years, all or a portion of the new or expanded data center. Each such colocated business shall obtain a state business license issued by the Secretary of State. The percentage amount of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the percentage amount of the partial abatement approved for the data center. The duration of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the duration of the contract or contracts entered into between the colocated business and the data center, including the duration of any contract or contracts extended or renewed by the parties. If a colocated business ceases to meet the requirements set forth in this subsection, the colocated business shall repay the amount of the abatement that was allowed in the same manner in which a data center is required by subsection 7 to repay the Department or a county treasurer. If a data center ceases to meet the requirements of subsection 2 or ceases operation before the time specified in the agreement described in paragraph (b) of subsection 2, any partial abatement approved for a colocated business ceases to be in effect, but the colocated business is not required to repay the amount of the abatement that was allowed before the date on which the abatement ceases to be in effect. A data center shall provide the Executive Director of the Office and the Department with a list of the colocated businesses that are qualified to receive a partial abatement pursuant to this subsection and shall notify the Executive Director within 30 days after any change to the list. The Executive Director shall provide the list and any updates to the list to the Department and the county treasurer of each affected county.

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

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

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

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

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

8. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 5 or 7 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

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

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

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

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

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

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

(d) Proof that the employee is covered by the health insurance plan which the data center is required to provide pursuant to sub-subparagraph (1) of subparagraph (3) of paragraph (d) of subsection 2 or sub-subparagraph (1) of subparagraph (3) of paragraph (e) of subsection 2.

11. For the purpose of obtaining from the Executive Director of the Office of Economic Development any waiver of the requirements set forth in sub-paragraph (4) of paragraph (d) of subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a data center must submit to the Executive Director of the Office of Economic Development written documentation of the efforts to meet the requirements and documented proof that an

insufficient number of Nevada residents is available and qualified for employment.

12. The Office of Economic Development:

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

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

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

~~11.1~~ 13. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

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

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

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

~~12.1~~ 14. As used in this section, unless the context otherwise requires:

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

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

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

Sec. 2. NRS 360.225 is hereby amended to read as follows:

360.225 1. During the course of an investigation undertaken pursuant to NRS 360.130 of a person claiming:

(a) A partial abatement of property taxes pursuant to NRS 361.0687;

(b) An exemption from taxes pursuant to NRS 363B.120;

(c) A deferral of the payment of taxes on the sale of eligible property pursuant to NRS 372.397 or 374.402;

(d) An abatement of taxes on the gross receipts from the sale, storage, use or other consumption of eligible machinery or equipment pursuant to NRS 374.357;

(e) A partial abatement of taxes pursuant to NRS 360.752; ~~or~~

(f) A partial abatement of taxes pursuant to section 1 of this act; or

(g) An abatement of taxes pursuant to NRS 360.950,
↳ the Department shall investigate whether the person meets the eligibility requirements for the abatement, partial abatement, exemption or deferral that the person is claiming.

2. If the Department finds that the person does not meet the eligibility requirements for the abatement, exemption or deferral which the person is claiming, the Department shall report its findings to the Office of Economic Development and take any other necessary actions.

Sec. 3. NRS 360.755 is hereby amended to read as follows:

360.755 1. If the Office of Economic Development approves an application by a business for an abatement of taxes pursuant to NRS 360.950 or a partial abatement pursuant to NRS 360.750 or 360.752 ~~+~~ or *section 1 of this act*, the agreement with the Office must provide that the business:

(a) Agrees to allow the Department to conduct audits of the business to determine whether the business is in full compliance with the requirements for the abatement or partial abatement; and

(b) Consents to the disclosure of the audit reports in the manner set forth in this section.

2. If the Department conducts an audit of the business to determine whether the business is in full compliance with the requirements for the abatement or partial abatement, the Department shall, upon request, provide the audit report to the Office of Economic Development.

3. Until the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit, the information contained in the audit report provided to the Office of Economic Development:

(a) Is confidential proprietary information of the business;

(b) Is not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the Office of Economic Development unless the business consents to the disclosure.

4. After the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit:

(a) The audit report provided to the Office of Economic Development is a public record; and

(b) Upon request by any person, the Executive Director of the Office of Economic Development shall disclose the audit report to the person who made the request, except for any information in the audit report that is protected from disclosure pursuant to subsection 5.

5. Before the Executive Director of the Office of Economic Development discloses the audit report to the public, the business may submit a request to the Executive Director to protect from disclosure any information in the audit report which, under generally accepted business practices, would be considered a trade secret or other confidential proprietary information of the business. After consulting with the business, the Executive Director shall determine whether to protect the information from disclosure. The decision

of the Executive Director is final and is not subject to judicial review. If the Executive Director determines to protect the information from disclosure, the protected information:

- (a) Is confidential proprietary information of the business;
- (b) Is not a public record;
- (c) Must be redacted by the Executive Director from any audit report that is disclosed to the public; and
- (d) Must not be disclosed to any person who is not an officer or employee of the Office of Economic Development unless the business consents to the disclosure.

Sec. 4. NRS 360.757 is hereby amended to read as follows:

360.757 1. The Office of Economic Development shall not take any action on an application for any abatement of taxes pursuant to NRS 274.310, 274.320, 274.330 or 360.750 or *section 1 of this act* or any other specific statute unless the Office:

- (a) Takes that action at a public meeting conducted for that purpose; and
- (b) At least 30 days before the meeting, provides notice of the application to:

- (1) The governing body of the county, the board of trustees of the school district and the governing body of the city or town, if any, in which the pertinent business is or will be located;
- (2) The governing body of any other political subdivision that could be affected by the abatement; and
- (3) The general public.

2. The notice required by this section must set forth the date, time and location of the meeting at which the Office of Economic Development will consider the application.

3. The Office of Economic Development shall adopt regulations relating to the notice required by this section.

Sec. 5. Chapter 361 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A person who intends to locate or expand a data center in this State may, pursuant to section 1 of this act, apply to the Office of Economic Development for a partial abatement from the taxes imposed by this chapter on personal property located at the data center.*

2. *If a partial abatement from the taxes imposed by this chapter on personal property located at the data center is approved by the Office of Economic Development pursuant to section 1 of this act:*

- (a) *The partial abatement must:*
 - (1) *For an applicant seeking an abatement pursuant to paragraph (d) of subsection 2 of section 1 of this act:*
 - (I) *Be for a duration of at least 1 year but not more than 10 years;*
- and*

(II) Not exceed 75 percent of the taxes payable by the data center each year pursuant to this chapter on personal property located at the data center;

(2) For an applicant seeking an abatement pursuant to paragraph (e) of subsection 2 of section 1 of this act:

(I) Be for a duration of at least 10 years but not more than 20 years; and

(II) Not exceed 75 percent of the taxes payable by the data center each year pursuant to this chapter on personal property located at the data center; and

(3) Be administered and carried out in the manner set forth in section 1 of this act.

(b) The Executive Director of the Office of Economic Development shall notify the county assessor of each county in which the data center is located of the approval of the partial abatement, including, without limitation, the duration and percentage of the partial abatement that the Office granted and the applicability of the partial abatement to any colocated business. The Executive Director shall, on or before April 15 of each year, advise the county assessor of each county in which a data center qualifies for a partial abatement during the current fiscal year as to whether the data center or any colocated business is still eligible for the partial abatement in the next succeeding fiscal year.

3. As used in this section:

(a) "Colocated business" has the meaning ascribed to it in section 1 of this act.

(b) "Data center" has the meaning ascribed to it in section 1 of this act.

Sec. 6. Chapter 374 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A person who intends to locate or expand a data center in this State may, pursuant to section 1 of this act, apply to the Office of Economic Development for a partial abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use at a data center which has been approved for a partial abatement pursuant to section 1 of this act.

2. If an application for a partial abatement is approved:

(a) For an applicant seeking an abatement pursuant to paragraph (d) of subsection 2 of section 1 of this act, the data center and any colocated business is eligible for an abatement from the tax imposed by this chapter for a period of not more than 10 years.

(b) For an applicant seeking an abatement pursuant to paragraph (e) of subsection 2 of section 1 of this act, the data center and any colocated business is eligible for an abatement from the tax imposed by this chapter for a period of not more than 20 years.

(c) *The abatement must be administered and carried out in the manner set forth in section 1 of this act.*

3. *As used in this section:*

(a) *"Colocated business" has the meaning ascribed to it in section 1 of this act.*

(b) *"Data center" has the meaning ascribed to it in section 1 of this act.*

(c) *"Eligible machinery or equipment" means machinery or equipment ~~for which a deduction is authorized pursuant to 26 U.S.C. § 179.~~ necessary to and specifically related to the business of the data center or colocated business. The term does not include vehicles, buildings or the structural components of buildings.*

Sec. 6.5. NRS 374.358 is hereby amended to read as follows:

374.358 1. A person who maintains a business or intends to locate a business in a historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to NRS 279.382 to 279.685, inclusive, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 in this State may, pursuant to the applicable provisions of NRS 274.310, 274.320 or 274.330, apply to the Office of Economic Development for an abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use by a business which has been approved for an abatement pursuant to NRS 274.310, 274.320 or 274.330.

2. If an application for an abatement is approved pursuant to NRS 274.310, 274.320 or 274.330:

(a) The taxpayer is eligible for an abatement from the tax imposed by this chapter for ~~[-~~

~~—(1) Except as otherwise provided in subparagraph (2),] a duration of not less than 1 year but not more than 5 [years; or~~

~~—(2) If the business is a data center that has invested or commits to invest during the period in which the abatement is effective, a minimum of \$100,000,000 in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to NRS 279.382 to 279.685, inclusive, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597, a duration of not less than 1 year but not more than 15] years.~~

(b) The abatement must be administered and carried out in the manner set forth in the applicable provisions of NRS 274.310, 274.320 or 274.330.

3. *As used in this section, unless the context otherwise requires [-*

~~—(a) "Data center" has the meaning ascribed to it in NRS 274.025.~~

~~—(b) "Eligible] , "eligible machinery or equipment" means machinery or equipment for which a deduction is authorized pursuant to 26 U.S.C. § 179. The term does not include:~~

(1) Buildings or the structural components of buildings;

- (2) Equipment used by a public utility;
- (3) Equipment used for medical treatment;
- (4) Machinery or equipment used in mining; or
- (5) Machinery or equipment used in gaming.

Sec. 7. NRS 218D.355 is hereby amended to read as follows:

218D.355 1. Except as otherwise provided in NRS 360.965 ~~and~~ *and section 1 of this act*, any state legislation enacted on or after July 1, 2012, which authorizes or requires the Office of Economic Development to approve any abatement of taxes or increases the amount of any abatement of taxes which the Office is authorized or required to approve:

(a) Expires by limitation 10 years after the effective date of that legislation.

(b) Does not apply to:

- (1) Any taxes imposed pursuant to NRS 374.110 or 374.190; or
- (2) Any entity that receives:

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

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

(c) Requires each recipient of the abatement to submit to the Department of Taxation, on or before the last day of each even-numbered year, a report on whether the recipient is in compliance with the terms of the abatement. The Department of Taxation shall establish a form for the report and may adopt such regulations as it determines to be appropriate to carry out this paragraph. The report must include, without limitation:

(1) The date the recipient commenced operation in this State;

(2) The number of employees actually employed by the recipient and the average hourly wage of those employees;

(3) An accounting of any fees paid by the recipient to the State and to local governmental entities;

(4) An accounting of the property taxes paid by the recipient and the amount of those taxes that would have been due if not for the abatement;

(5) An accounting of the sales and use taxes paid by the recipient and the amount of those taxes that would have been due if not for the abatement;

(6) An accounting of the total capital investment made in connection with the project to which the abatement applies; and

(7) An accounting of the total investment in personal property made in connection with the project to which the abatement applies.

2. On or before January 15 of each odd-numbered year, the Department of Taxation shall:

(a) Based upon the information submitted to the Department of Taxation pursuant to paragraph (c) of subsection 1, prepare a written report of its findings regarding whether the costs of the abatement exceed the benefits of the abatement; and

(b) Submit the report to the Director for transmittal to the Legislature.

Sec. 8. NRS 231.0685 is hereby amended to read as follows:

231.0685 The Office shall, on or before January 15 of each odd-numbered year, prepare and submit to the Director of the Legislative Counsel Bureau for transmission to the Legislature a report concerning the abatements from taxation that the Office approved pursuant to NRS 274.310, 274.320, 274.330, 360.750 or 360.752 ~~or~~ *or section 1 of this act*. The report must set forth, for each abatement from taxation that the Office approved during the fiscal years which are 3 fiscal years and 6 fiscal years immediately preceding the submission of the report:

1. The dollar amount of the abatement;
2. The location of the business for which the abatement was approved;
3. The value of infrastructure included as an incentive for the business;
4. If applicable, the number of employees that the business for which the abatement was approved employs or will employ;
5. Whether the business for which the abatement was approved is a new business or an existing business;
6. The economic sector in which the business operates, the number of primary jobs related to the business, the average wage paid to employees of the business and the assessed values of personal property and real property of the business; and
7. Any other information that the Office determines to be useful.

Sec. 9. NRS 231A.170 is hereby amended to read as follows:

231A.170 1. For the purpose of NRS 231A.110, a qualified active low-income community business is limited to those businesses meeting the Small Business Administration size eligibility standards established in 13 C.F.R. §§ 121.101 to 201, inclusive, at the time the qualified low-income community investment is made. A business must be considered a qualified active low-income community business for the duration of the qualified community development entity's investment in, or loan to, the business if the entity reasonably expects, at the time it makes the investment or loan, that the business will continue to satisfy the requirements for being a qualified active low-income community business, other than the Small Business Administration size standards, throughout the entire period of the investment or loan.

2. Except as otherwise provided in this subsection, the businesses limited by this section do not include any business that derives or projects to derive 15 percent or more of its annual revenue from the rental or sale of real estate. This exclusion does not apply to a business that is controlled by, or under common control with, another business if the second business:

- (a) Does not derive or project to derive 15 percent or more of its annual revenue from the rental or sale of real estate; and
- (b) Is the primary tenant of the real estate leased from the first business.

3. The following businesses are not qualified active low-income community businesses:

(a) A business that has received an abatement from taxation pursuant to NRS 274.310, 274.320, 274.330 or 360.750 ~~or~~ *or section 1 of this act.*

(b) An entity that has liability for insurance premium tax on a premium tax report filed pursuant to NRS 680B.030.

(c) A business engaged in banking or lending.

(d) A massage parlor.

(e) A bath house.

(f) A tanning salon.

(g) A country club.

(h) A business operating under a nonrestricted license for gaming issued pursuant to NRS 463.170.

(i) A liquor store.

(j) A golf course.

Sec. 9.3. NRS 274.310 is hereby amended to read as follows:

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

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

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

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

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,
 ↪ may submit a request to the governing body of the county, city or town in which the business would operate for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 or 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business would operate. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

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

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

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

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

(a) The business is consistent with:

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

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

(b) The applicant has executed an agreement with the Office which states that the business will, after the date on which the abatement becomes effective:

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

(2) Continue to meet the eligibility requirements set forth in this subsection.

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

(c) 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 will operate.

(d) The applicant invested or commits to invest a minimum of \$500,000 in capital assets that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.

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

(a) The Department of Taxation;

(b) The Nevada Tax Commission; and

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

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

(a) The partial abatement must ~~be~~

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

~~— (2) If the business is a data center that has invested or commits to invest during the period in which the abatement is effective a minimum of \$100,000,000 in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to~~

~~24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597, be for a duration of not less than 1 year but not more than 15~~ years.

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

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

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

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

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

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

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

Sec. 9.5. NRS 274.320 is hereby amended to read as follows:

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

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

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

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

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,
↪ may submit a request to the governing body of the county, city or town in which the business operates for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of the taxes imposed on capital equipment pursuant to chapter 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates.

The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

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

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

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

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

(a) The business is consistent with:

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

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

(b) The applicant has executed an agreement with the Office which states that the business will, after the date on which the abatement becomes effective:

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

(2) Continue to meet the eligibility requirements set forth in this subsection.

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

(c) 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.

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

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

- (a) The Department of Taxation; and
- (b) The Nevada Tax Commission.

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

- (a) The partial abatement must ~~be~~

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

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

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

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

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

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

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

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

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

Sec. 9.7. NRS 274.330 is hereby amended to read as follows:

274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in

which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 or 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

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

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

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

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

(a) The business is consistent with:

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

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

(b) The applicant has executed an agreement with the Office which states that the business will, after the date on which the abatement becomes effective:

(1) Continue in operation in the enterprise community for a period specified by the Office, which must be at least 5 years; and

(2) Continue to meet the eligibility requirements set forth in this subsection.

➔ The agreement must bind successors in interest of the business for the specified period.

(c) 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.

(d) The business:

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

(2) Pays such employees a wage of not less than 100 percent of the federally designated level signifying poverty for a family of four persons and provides medical benefits to the employees and their dependents.

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

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

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

(1) The Department of Taxation;

(2) The Nevada Tax Commission; and

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

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

(a) The partial abatement must ~~be~~

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

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

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

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

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

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

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

7. The Office of Economic Development:

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

(b) May adopt such other regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

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

9. As used in this section, "dislocated worker" means a person who:

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

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

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

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

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

Sec. 10. NRS 353.207 is hereby amended to read as follows:

353.207 1. The Chief shall:

(a) Require the Office of Economic Development and the Office of Energy each periodically to conduct an analysis of the relative costs and benefits of each incentive for economic development previously approved by the respective office and in effect during the immediately preceding 2 fiscal years, including, without limitation, any abatement of taxes approved by the Office of Economic Development pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.752, 360.950, 361.0687, 374.357 or 701A.210 ~~+~~ *or section 1 of this act*, to assist the Governor and the Legislature in determining whether the economic benefits of the incentive have accomplished the purposes of the statute pursuant to which the incentive was approved and warrant additional incentives of that kind;

(b) Require each office to report in writing to the Chief the results of the analysis conducted by the office pursuant to paragraph (a); and

(c) Establish a schedule for performing and reporting the results of the analysis required by paragraph (a) which ensures that the results of the analysis reported by each office are included in the proposed budget prepared pursuant to NRS 353.205, as required by that section.

2. Each report prepared for the Chief pursuant to this section is a public record and is open to inspection pursuant to the provisions of NRS 239.010.

Sec. 10.5. Notwithstanding the provisions of sections 1 and 6 of this act, if the Office of Economic Development approves an application for a partial abatement pursuant to section 1 of this act, of the taxes imposed pursuant to chapter 374 of NRS, any such partial abatement must not include, for Fiscal Year 2015-2016, an abatement of the local school support tax imposed by chapter 374 of NRS.

Sec. 11. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 12. The Legislature hereby finds that each abatement provided by this act from any ad valorem tax on property or excise tax on the sale, storage, use or other consumption of tangible personal property sold at retail:

1. Will achieve a bona fide social or economic purpose and the benefits of the abatement are expected to exceed any adverse effect of the abatement on the provision of services to the public by the State or a local government that would otherwise receive revenue from the tax from which the abatement would be granted; and

2. Will not impair adversely the ability of the State or a local government to pay, when due, all interest and principal on any outstanding bonds or any other obligations for which revenue from the tax from which the abatement would be granted was pledged.

Sec. 12.5. NRS 274.025 is hereby repealed.

Sec. 13. 1. This act becomes effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

(b) On January 1, 2016, for all other purposes.

2. Sections 6.5, 9.3, 9.5 and 9.7 of this act expire by limitation on June 30, 2032.

3. Sections 1 to 6, inclusive, 7, 8, 9, ~~10, 11 and~~ 10, 11 and to 12, inclusive, of this act expire by limitation on December 31, 2056.

TEXT OF REPEALED SECTION

274.025 "Data center" defined. "Data center" means one or more buildings located at one physical location which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to a particular business and includes the associated telecommunications and storage systems at the location.

Senator Roberson moved that the Senate concur in Assembly Amendment No. 815 to Senate Bill No. 170.

Remarks by Senator Roberson.

Assembly amendment No. 815 to Senate Bill No. 170 reduces the threshold required to receive abatement from \$50 million to \$25 million. It also provides that any abatement of the local Sales and Use Taxes must not include, for fiscal year 2015-2016, any abatement of the Local School Support Tax. It also requires that 50 percent of all construction workers for a data center must be Nevada residents. Also, each co-located business shall obtain a State business license issued by the Secretary of the State.

Motion carried by a two-thirds majority.

Bill ordered enrolled.

RECEDE FROM SENATE AMENDMENTS

Senator Hardy moved that the Senate do not recede from its action on Assembly Bill No. 169, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like Committee of the Assembly.

Motion carried.

Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES

President Hutchison appointed Senators Lipparelli, Hardy and Woodhouse as a Conference Committee to meet with a like Committee of the Assembly for the further consideration of Assembly Bill No. 169.

President Hutchison appointed Senators Brower, Roberson and Parks as a Conference Committee to meet with a like Committee of the Assembly for the further consideration of Senate Bill No. 95.

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bills Nos. 56, 137, 307, 341, 395, 406, 411, 447, 463; Senate Joint Resolution No. 17.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Denis, the privilege of the floor of the Senate Chamber for this day was extended to students from Sandy Searles Miller Elementary School: Dunnunique Ahmad, Ava Andaya Giron, Leandro Araiza, Jacob Bacigalupi, Akianna Bailey, Antonio Barraza, Srija Bhowmik, Andrew Birt, Monica Bradley, Nicholas Briceno, Drew Campbell, Cailyn Campbell, Valeria Carillo Alvarez, Covin Carlson, Noel Cortez Salva, Vivianna Crawford Abeita, Foster Creque, Jordan Crossman, Jhonny Cruz-Salva, Enna Dishaw, Makayla D'Silva, Ramon Esquivel Garcia, Emiliano Estrada-Redes, Elian Estrada-Rubio, Kayla Fieldman, Maya Gonzalez, Christopher Grijalva Enriquez, Canyon Gronna, Alan Guerrero-Salazar, Andy Guerrero-Salazar, Aaron Gustafson, Anthony Gutierrez Rodriguez, Cassidy Haney, Amber Hebbard, Alice Hermosillo, Jacob Hernandez, Dulce Hernandez, Mayling Hernandez, Matthew Howell, Lisa Hypes, Ryan Jensen, Jazmin Juarez, Sage Keenan, Ian Lazo, Katherine Luna-Lugo, Kaylie Marengo, Angel Marroquin, Jesse Martinez, Michael Martinez-Lee, Jayne Mendoza, Courtney Meyer, Lilana Mihaere, Nadia Miranda, Mateo Montez, Anthony Monti, Angelina Mora, Mariah Moser, Amiko Nkwethat, Michelle Nunez-Chavez, Caitlyn Olson, Jayson Pablo, Omar Padilla-Gomez, Anthony Paske, Faith Pickett, Zayda Ramirez, Derek Ramos, Krystalynne Raublott, Joseph Reavis, Trinty Regnauld, Jose Renteria-Lopez, Rodrigo Rios, Yoselin Salvador Salva, Daniel Sanchez, Karina Sanchez, Nancy Sanchez Garcia, Mariana Sarabia Hernandez, Aaron Segal, Malayiah Serna, Sonya Sosa Robles, Tienna Sprinkle-Blakney, Anthony Stanulis, Zoe Swift, Cheyenne Swinton, Eva Ulloa, Lalia Vazquez, Pedro Vidales-Lara, Zion Wandick, Crystal Warren, May Wescott, Krystal Williams-Leuma, Lauren Wolfe and Daniel Wright.

On request of Senator Hammond, the privilege of the floor of the Senate Chamber for this day was extended to Jake Maclamore.

Senator Roberson moved that the Senate adjourn until Saturday, May 30, 2015, at 9:00 a.m.

Motion carried.

Senate adjourned at 3:32 p.m.

Approved:

MARK A. HUTCHISON
President of the Senate

Attest: CLAIRE J. CLIFT
Secretary of the Senate