

Amendment No. 479

Assembly Amendment to Assembly Bill No. 261	(BDR 18-470)
Proposed by: Assembly Committee on Revenue	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.



ASSEMBLY BILL NO. 261—COMMITTEE ON NATURAL RESOURCES

MARCH 7, 2023

Referred to Committee on Revenue

SUMMARY—Revises provisions relating to water. (BDR 18-470)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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

AN ACT relating to governmental administration; requiring the State Plan for Economic Development to include a statement regarding the efficient use of water resources; requiring a plan submitted by a regional development authority to include water conservation strategies; requiring the Office of ~~Energy~~ **Economic Development** to conduct a study relating to consumptive water use and economic development; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law **creates the Office of Economic Development within the Office of the Governor and** requires the Executive Director of the Office of Economic Development to develop and periodically revise a State Plan for Economic Development. (NRS 231.043, 231.053) **Section 1** of this bill requires the Executive Director ~~of the Office of Economic Development~~ to include a statement in the State Plan regarding the manner in which this State can maximize the efficient use of the water resources of this State through its economic development programs.

Existing law requires each regional development authority to present a plan to the Executive Director ~~of the Office of Economic Development~~ regarding the development and enhancement of certain recruiting and marketing efforts. (NRS 231.054) **Section 2** of this bill requires such a plan to also include strategies on conserving the water resources of this State through such recruiting and marketing efforts.

~~Existing law creates the Office of Energy within the Office of the Governor and prescribes the duties of the Office of Energy relating to the supply, demand and conservation of energy in this State. (NRS 701.150)~~ **Section 3** of this bill requires the Office of ~~Energy~~ **Economic Development** to conduct a study of consumptive water use and economic development of businesses receiving certain related abatements and submit a report of its findings and recommendations for legislation to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 83rd Session of the Nevada Legislature.

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

Section 1. NRS 231.053 is hereby amended to read as follows:

231.053 After considering any advice and recommendations of the Board, the Executive Director:

1. Shall direct and supervise the administrative and technical activities of the Office.

2. Shall develop and may periodically revise a State Plan for Economic Development, which:

(a) Must include a statement of:

(1) New industries which have the potential to be developed in this State;

(2) The strengths and weaknesses of this State for business incubation;

(3) The competitive advantages and weaknesses of this State;

(4) The manner in which this State can leverage its competitive advantages and address its competitive weaknesses;

(5) The manner in which this State can maximize the efficient use of the water resources of this State through the programs of economic development in this State;

~~(5)~~ (6) A strategy to encourage the creation and expansion of businesses in this State and the relocation of businesses to this State; and

~~(6)~~ (7) Potential partners for the implementation of the strategy, including, without limitation, the Federal Government, local governments, local and regional organizations for economic development, chambers of commerce, and private businesses, investors and nonprofit entities; and

(b) Must not include provisions for the granting of any abatement, partial abatement or exemption from taxes or any other incentive for economic development to a person who will locate or expand a business in this State that is subject to the tax imposed pursuant to NRS 362.130 or the gaming license fees imposed by the provisions of NRS 463.370.

3. Shall develop criteria for the designation of regional development authorities pursuant to subsection 4.

4. Shall designate as many regional development authorities for each region of this State as the Executive Director determines to be appropriate to implement the State Plan for Economic Development. In designating regional development authorities, the Executive Director must consult with local governmental entities affected by the designation. The Executive Director may, if he or she determines that such action would aid in the implementation of the State Plan for Economic Development, remove the designation of any regional development authority previously designated pursuant to this section and declare void any contract between the Office and that regional development authority.

5. Shall establish procedures for entering into contracts with regional development authorities to provide services to aid, promote and encourage the economic development of this State.

6. May apply for and accept any gift, donation, bequest, grant or other source of money to carry out the provisions of NRS 231.020 to 231.139, inclusive, and 231.1555 to 231.1597, inclusive.

7. May adopt such regulations as may be necessary to carry out the provisions of NRS 231.020 to 231.139, inclusive, and 231.1555 to 231.1597, inclusive.

8. In a manner consistent with the laws of this State, may reorganize the programs of economic development in this State to further the State Plan for Economic Development. If, in the opinion of the Executive Director, changes to the

1 laws of this State are necessary to implement the economic development strategy
2 for this State, the Executive Director must recommend the changes to the Governor
3 and the Legislature.

4 **Sec. 2.** NRS 231.054 is hereby amended to read as follows:

5 231.054 Each regional development authority shall present a plan to the
6 Executive Director ~~regarding~~ *that includes ~~it~~, ~~without limitation,~~* the
7 development and enhancement of a recruiting and marketing effort to attract
8 professionals and businesses to the region of this State served by the regional
9 development authority ~~it~~ *and strategies to encourage the conservation of the*
10 *water resources of this State through such effort.* The Executive Director shall
11 consider any plan presented pursuant to this section in carrying out the provisions
12 of NRS 231.053.

13 **Sec. 3.** 1. The Office of ~~Energy~~ **Economic Development** shall conduct a
14 study during the 2023-2024 interim relating to consumptive water use and
15 economic development of businesses receiving certain abatements pursuant to NRS
16 360.750.

17 2. The study must include, without limitation, a review of:

18 (a) The amount of consumptive water use per primary job created under NRS
19 360.750 organized by the economic sector in which the business related to the job
20 operates;

21 (b) Any consumptive water analysis conducted by businesses for measurement
22 of consumptive water use over the duration for which the abatement or partial
23 abatement of certain property taxes is granted;

24 (c) Financial incentives that encourage companies to manage water efficiently;
25 and

26 (d) Programs that are mutually beneficial for new businesses and the State that
27 reduce water risks and operating costs related to economic development.

28 3. In conducting the study, the Office shall consult with and solicit input from
29 persons and organizations with relevant expertise, including, without limitation:

30 (a) Institutions of higher education;

31 (b) Nonprofit organizations;

32 (c) Private industry and chambers of commerce;

33 (d) Regional development authorities; and

34 (e) Water authorities.

35 4. In carrying out its duties pursuant to this section, the Office may enter into
36 contracts necessary to complete the study conducted pursuant to subsection 1.

37 5. On or before September 1, 2024, the Office shall submit a report of the
38 results of the study conducted pursuant to subsection 1 and any recommendations
39 for legislation to the Governor and the Director of the Legislative Counsel Bureau
40 for transmittal to the 83rd Session of the Nevada Legislature.

41 **Sec. 4.** This act becomes effective on July 1, 2023.