

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON REVENUE**

**Eighty-Second Session
March 23, 2023**

The Committee on Revenue was called to order by Chair Shea Backus at 4:09 p.m. on Thursday, March 23, 2023, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Shea Backus, Chair
Assemblywoman Venicia Considine, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Lesley E. Cohen
Assemblywoman Danielle Gallant
Assemblyman Ken Gray
Assemblyman Gregory T. Hafen II
Assemblywoman Erica Mosca
Assemblyman Duy Nguyen
Assemblyman P.K. O'Neill
Assemblywoman Shondra Summers-Armstrong

COMMITTEE MEMBERS ABSENT:

Assemblyman David Orentlicher (excused)

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Susanna Powers, Deputy Fiscal Analyst
Nick Christie, Committee Manager
Gina Hall, Committee Secretary
Lori McCleary, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Nathan Allen, Executive Director, WaterStart
Anthony J. Ruiz, representing WaterStart
Amber Stidham, representing Las Vegas Global Economic Alliance
Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League
Jaina Moan, Director, External Affairs, The Nature Conservancy, Las Vegas
Chaunsey Chau-Duong, representing Southern Nevada Water Authority
Leo Drozdoff, representing Truckee Meadows Water Authority
James M. Humm, Director of Public Policy and Government Affairs, Office of
Economic Development, Office of the Governor
Michele Lynn, Director of Administration, Office of Economic Development, Office
of the Governor

Chair Backus:

[Roll was taken, and Committee rules and protocol were reviewed.] We have a work session planned to follow the bill hearing on [Assembly Bill 261](#). I will open the hearing on [A.B. 261](#). Assemblywoman Cohen and the presenters, you may begin when you are ready.

[Assembly Bill 261](#): Revises provisions relating to water. (BDR 18-470)

Assemblywoman Cohen, Assembly District No. 29:

I am happy today to be introducing [Assembly Bill 261](#). Nevada, as we know, is the driest state in the country. It is also one of the fastest growing. After the financial crisis of 2007-2008, Nevada overhauled its system of economic development to diversify the economy and make it more resilient for future economic crises. With the impacts of climate change further stressing Nevada's limited water resources, it is time again to update our economic development framework to ensure our economy remains resilient and Nevada continues to be a safe investment for businesses and our citizens.

Today, we incentivize companies to build and grow in Nevada based on the quantity and quality of employment opportunities generated for our citizens. Factors like average wages and benefits are weighed, along with investments, workforce development, and infrastructure. Key industries—like health and medical and information technologies—are targeted and recruited based on strategic interests for the state. This approach has made Nevada one of the most attractive places to build, grow, and invest in for businesses. In the

face of ongoing climate change and population growth, water should be recognized as a strategic economic priority. Assembly Bill 261 proposes that water be formally addressed within the state economic development plan and included in regional economic development strategies supported by the state. It is the hope that by attracting and incentivizing companies with responsible water use practices to Nevada that our economy may benefit in the long run in the same way it does from wage growth and health care. Today we are joined by Nathan Allen to introduce A.B. 261. Mr. Allen is the Executive Director of WaterStart, a Nevada-based nonprofit innovation association. In this capacity, Mr. Allen has worked within the nexus of water and economic development for nearly 10 years and, of course, Mr. Ruiz. I will turn the presentation over and allow them to present the bill.

Nathan Allen, Executive Director, WaterStart:

I am joined here today by a member of our extended team, Anthony Ruiz. First of all, I would like to start by thanking Assemblywoman Cohen for the introduction and for her assistance in helping us move this bill forward. I want to take some time and provide some additional context and background on our motivations for drafting this bill and bringing it to you today, get into an overview of the bill, and save time for questions at the end.

To build off of Assemblywoman Cohen's comments and to add some additional background to that, all of you are familiar that Nevada, for a long time now, has been one of the fastest-growing states in the country, and at the same time has always been the driest state in the U.S. A recent study at UNLV [University of Nevada, Las Vegas] suggested that our population in the state will grow to 3.3 million by 2060. At the same time, we have continued with critical and necessary work to try and diversify our economy so that we are more resilient to disruptions in the national and global economy as well. The Office of Economic Development, Office of the Governor (GOED), along with regional development authorities (RDAs) have continued to deploy this recruiting process and diversify the economy to recruit companies within the state's target industries, so that Nevada may grow its economy and broaden its tax base.

On the other side of the equation, the entire western region of the U.S. is facing reducing flows on the Colorado River, and reduced water supply across the state as well. We have seen impacts of dropping water levels in Lake Powell, Rye Patch Reservoir, and Lahontan Reservoir. In the past few years, according to U.S. Drought Monitor, 90 percent of the state has regularly experienced severe or exceptional drought. All 17 counties in the state have recently been designated by the USDA [U.S. Department of Agriculture] as drought disaster areas. Among all of this, Nevada has been a bright spot in terms of water conservation and is recognized nationally and internationally for how it manages the water resources within the state. Those of you from southern Nevada may be familiar that the population there has doubled in the last few decades, while at the same time it has reduced its total water consumption by around 40 percent. That is a really significant accomplishment. They have done this through decades of incentive programs, getting their residents to remove turf and adopt conservation practices, both inside and outside of their homes, and on commercial

properties. They have also deployed really significant programs, like the return-flow credit program, which allows them to pull water from the Colorado River that has already been used, recycle that water, put it back into the system, on top of its annual allocations of new water from the Colorado River.

In northern Nevada, 30 years was invested in reworking water rights along the Truckee River that included two states, agriculture interests, tribal interests, and municipal interests, all to reallocate Truckee River water, and manage that in a more modern framework called the Truckee River Operating Agreement. One of the other areas that is being significantly invested in, which northern Nevada is leading the way on, is direct potable reuse. There is a long tradition of innovation in this state. Nevada is leading the western U.S. with policies for how to most effectively manage water. We believe that A.B. 261 continues that tradition.

I will be working from the proposed conceptual amendment [[Exhibit C](#)], which I think all of you have been provided a copy of. Assembly Bill 261 proposes in section 1 that we formally include water in the state's economic development plan. This would make water a factor and water conservation a factor when we consider the incentives we want to provide to companies that want to move to our state—just like the number of jobs, the average wage of those jobs, and the benefits that come along with those jobs. Section 1 would direct GOED to include water in that State Plan when it is developed. Section 2 of this bill also adds a requirement for the RDAs to include water when they develop their regional strategies for what types of companies, and what the criteria those companies want, to recruit and bring into their regions.

Section 3 of this bill proposes a study. As many of you would probably already understand, the idea of coordinating water resource management and economic development across the state is complex, and it is important we take time to study the issue and make sure we come up with framework and policy recommendations that are informed by actual data. I want to mention there was a drafting error originally in the study, in section 3, where it names the Office of Energy. The amendment fixes this error and names GOED as the entity to conduct this study. This study will help GOED be more informed on the state's needs, in order to make sure including water helps the state to remain competitive in attracting good jobs to the state. The scope of this study will include things like a comparative analysis across businesses in Nevada, so we can really define how water is used in those various industries, among other various topics. With that, I am happy to take questions.

Chair Backus:

Thank you for the presentation. Do the members of the Committee have any questions?

Assemblyman O'Neill:

I am a little confused, so help educate me. Businesses know what their needs are when they are going to develop or start a business here in Nevada. If it is a high-intensity water business, they will know that right off the bat, and maybe Nevada is not the place for them,

and we know not to try to recruit that type of business. I do not see the need for this because GOED should already have this information available and in their plan. Would a study not be better done by the watermaster we have instead of by GOED? Would they not be more in tune to the water supplies in the various areas around the state? Could you help me work through that?

Nathan Allen:

Let me respond in two parts here. First, to your question about the need for doing this, I would say you are correct. Informally, in most of the communities across the state there is some kind of discussion between the RDA or GOED as they are recruiting a company to move here. If it is intuitively obvious that the new company is a high water user, or could be a high water user, they might notify Southern Nevada Water Authority or Truckee Meadows Water Authority, to come in and give their comments. That process is totally informal at the discretion of whoever is managing the lead generation for that RDA.

What we are proposing in A.B. 261 is that water is an important enough consideration that it should not be left up to just the discretion of the individual staff within the RDAs. I will back up to make another comment. I think that Nevada has a reputation as being a responsible manager of water. I think that presents a competitive advantage between Nevada and its neighboring states. I believe there are opportunities to increase that advantage by formally including water in the actual strategy that the RDA develops, not just that it must be a consideration, but that they look at opportunities to actually create more advantages in recruiting companies here because they have a higher level of confidence in the water management.

Other existing work that is related to this, some of you might note that in 2019 GOED did include water as a factor within the State Plan. Again, that was done at the discretion of the director of GOED. What A.B. 261 would do is simply codify in statute, that that is something that should continue to happen, for similar reasons to what I stated around competitiveness with the RDA strategies, as well. I hope that answers the first part of your question. Can you restate your second question?

Assemblyman O'Neill:

The second part was having the watermaster doing it. We have to talk outside of just Clark County, which I have to commend on their water resources. They have done outstanding work at conservation. I have no argument with your work down there. Looking at the state as a whole, would the watermaster, that organization, not be the better person in knowing the state in its entirety?

Nathan Allen:

My understanding of the State Engineer's role is that it is very specific to just understanding the available water resources and how the rights and access to those resources are allocated. Most businesses, when they come to the state to set up an operation, do not engage with water rights, do not participate in any kind of process where they are needing to plan out how they are going to access the water. Primarily the businesses that move to the state or expand

within the state are simply calling up the local municipality to be connected to service. I do not know that the State Engineer's Office or the federal watermasters are structured to be able to accommodate understanding the needs of individual businesses that are moving or expanding into the state the way GOED is. That Office already does the relationship management with businesses as they come here. They already manage citing locations, coordinating with other utilities to provide service. Our sense is that because that relationship management is already in place, GOED is probably better positioned than the State Engineer. Additionally, what we are proposing in A.B. 261 is to have water become a factor that is incorporated into the framework of economic incentives. That incentive process is again owned and managed by the GOED. That is why we proposed this to be a process that is managed by GOED.

Assemblyman O'Neill:

I apologize for putting you on the spot, but would it be fair for you to put on the record that it would be a recommendation they incorporate or utilize the services of the state watermaster, State Engineer, because that organization knows who owns the water rights. I think they could supply those businesses with some valuable information for this study. Would you consider putting that in the bill or on the record for me?

Nathan Allen:

The way the language around the study is currently drafted is pretty broad, giving GOED a lot of latitude to decide who will be included. Our work with GOED in the past and on this bill suggests that they want to include input from a lot of water entities, including the State Engineer's Office.

Assemblyman O'Neill:

I appreciate that. Like I said, at least think about it. I am open for more discussion, maybe offline.

Assemblywoman Considine:

In section 2, is this one way or the other, or both? It says, "strategies to encourage the conservation of the water resources." What is the focus of the strategies? Are the strategies for each business and how they can conserve water, or are these for the State and how we are going to pick businesses because we are going to strategize that way concerning the water they are going to use, or both?

Nathan Allen:

I think at this stage we have intentionally left it broad, so the RDAs have the opportunity to come up with a strategy about how they want to implement this—whether they want to take an approach that it is a business by business evaluation of what their consumption is, whether they want to factor in how they target which businesses, or whether they want to have it as reactive. There are a variety of different approaches that could be taken. I think there is some work yet to be done to identify which approach is best for each individual region. From a policy standpoint we thought leaving that up to them to decide what was enough to get the process started.

Assemblyman Hafen:

I am going to start out saying water bills normally scare me to death because I hate messing with water law, but this is a good bill. You hit the nail on the head. People go to these different areas, different regions throughout the state, and have no idea what the water resources are. They have no idea that they have to go to the private sector and purchase water rights from a farmer or a rancher. To include something like this in the GOED plan, when we are looking at giving out tax abatements or tax credits, I personally think is a really good idea. We are not going to tell free enterprise what to do—if you want to buy all the water rights in one basin to do what you want, more power to you, but we are not going to give you tax credits to do something like that. I appreciate your bringing this forward because Clark County and Las Vegas are completely different than Carson City.

Chair Backus:

On section 2 of the amendment [[Exhibit C](#)], I understand the difference between "includes" and the elimination of "without limitation," so obviously you are including this as a limited subset. I was curious why that was? Why did you not want to go broader?

Anthony J. Ruiz, representing WaterStart:

We have worked with many different partners on this language to keep it broad, but also effective enough to mean something. This was language that we worked on with GOED. They felt that language was redundant and not necessary, and that is why we went that direction with this proposed conceptual amendment.

Assemblyman Hafen:

My question goes back to Assemblyman O'Neill's question regarding the State Engineer. I cannot tell you how many times people come to my business and say, "I want to hook up." I will ask them where they are getting their water rights and they have no idea. Have you contemplated using the State Engineer to try to determine where the available resources are in comparison to what is currently being pumped—to be part of the study or different strategies you are going to try to move forward with?

Nathan Allen:

We have considered that. As I mentioned earlier, GOED understands how complex an issue this is and will want to engage a broad group of water management, water organizations, and water agencies across the state to have input made into this process. I will make one small comment to help clarify. The scope of this is not to try and influence in any way what water is allocated for. This is simply to have water be a factor that is considered formally within the process of deciding state economic incentives for businesses to come. Certainly, a lot of input will need to be taken from a variety of different groups across the state. I appreciate you pointing that out.

Assemblywoman Summers-Armstrong:

In the conceptual amendment you say that "and strategies to encourage the conservation of the water resources." What types of strategies do we institute now? Considering how we have such limited resources that will become more limited over time, what other kinds of

strategies are you talking about? Can you give us a couple of examples of what businesses could do? In southern Nevada, where I live, we already know if you are in the C group it is Monday, Wednesday, and Friday, before 11 a.m., and you better not water on Sunday. There are high penalties.

Before you answer my question, I will just say this. I keep telling people I believe Nevada is one of the most beautiful states in the nation. She is a gorgeous place, but she has not figured it out yet. Sometimes she lets these handsome guys come and talk to her and tell her what they need to do to make her a better person. To me, she should be making sure that whomever she chooses to come here is equally yoked with what her vision for herself is.

To me, for the last 20 years or so our vision has been that we make a sustainable place for us to be able to live for generations to come. The regular folks are not encouraged, we are mandated. What about businesses?

Nathan Allen:

I am happy to share a couple of examples of things that are already happening, or precedent for this kind of idea we hope A.B. 261 helps to scale statewide. One recent example is Southern Nevada Water Authority's new rebate program that they have rolled out to incentivize commercial building operators to remove evaporative cooling and replace that with high-efficiency electrical cooling. Some of you might know that evaporative cooling is second only to landscaping in municipal water consumption, so it is a really important area. We believe that implementing A.B. 261 opens the door for additional state coordination and incentivizing of potential practices that are complementary to the example I just shared with you. Another example, and I am sorry to continue to provide examples from just southern Nevada, because there really is progressive forward-thinking work on conservation happening statewide. One of the longstanding practices in southern Nevada is there is a rule that anytime a new resort was to be built, the plans for that new resort would need to be approved by the local water district. That is a little outside of the scope of A.B. 261 because gaming does not qualify for state economic development incentives, but the idea that there is a formal process for the community to look at water consumption when they are planning for a large construction of a new business to be added to their community, those kinds of activities have happened here in the state for a long time. We hope this bill helps to expand both the resources and the coordination statewide in order to have more of those kinds of programs occur.

Anthony Ruiz:

The question of why put "encourage" there versus something else, we think this is the first stage conversation to say for the first time in both of the State Plan for economic development and in the actual application the RDAs have to submit to get the funding to be an RDA, they have to put in some strategies. Again, it is to codify a lot of the work already being done. I think formalizing it in state law by this body would have great meaning once we conduct a study.

If you look at section 3 [[Exhibit C](#)], the study results will be delivered in time before the next session. I think there will be broader conversations then. I think, right now, this is a tremendous first conversation to codify and continue, then we can have some of the broader conversations about what we can actually encourage, mandate, or change. As of right now, there are no changes to the process for a company considering to locate or expand in Las Vegas, or anywhere in the state for that matter.

Chair Backus:

As there are no further questions from the Committee members, we will move to testimony in support of [A.B. 261](#). We will start in Las Vegas. Is there anyone in Las Vegas who wishes to give testimony in support of [A.B. 261](#)?

Amber Stidham, representing Las Vegas Global Economic Alliance:

We are the state's largest regional economic development authority and are committed to working together with our partners to find ways in which we can compatibly address water resource availability, but at the same time exploring incentive recommendations in which our region can enhance and increase interest in activity that works to diversify our economy and still create opportunities to support Nevadans. That being said, we have met with WaterStart on this proposal, and in general. We have also met with our regional water agencies on items like this bill and other matters over the last year. You do have our commitment to continue to be actively engaged in these conversations and be part of the solution.

Chair Backus:

Is there anyone else in Las Vegas who wishes to give testimony in support of [A.B. 261](#)? [There was no one.] Is there anyone on the phone lines who wishes to give testimony in support of [A.B. 261](#)?

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League:

We are here in support of [A.B. 261](#). Our waterways provide drinking water for millions of people, support thriving outdoor recreation economies, and sustain crucial habitat for species. As the driest state in the country, planning for the future of water and taking action to conserve it is critical. We urge the Committee's support on this bill.

Jaina Moan, Director, External Affairs, The Nature Conservancy, Las Vegas:

The Conservancy supports [A.B. 261](#) and the conceptual amendment [[Exhibit C](#)] to require water conservation strategies in the State Plan for economic development and RDA plans. We appreciate the attention given to the efficient use of the state's water resources through economic development programs. The Conservancy's mission is to conserve the lands and waters on which all life depends, and in Nevada much of our work is driven by limited water resources that are critical for both people and nature. Foresight, full coordination of economic development, within the limited means of our water resources, is important for healthy communities, ecosystems, and future generations of Nevadans.

Chair Backus:

As there are no further callers in support of A.B. 261, we will go to Carson City. Is there anyone here today who wishes to give testimony in support of A.B. 261?

Chaunsey Chau-Duong, representing Southern Nevada Water Authority:

We are the largest purveyor in Nevada, serving 2.3 million residents and over 40 million visitors. We wish to express our support for A.B. 261 and the conceptual amendment. We appreciate the sponsors coming to us and talking to us about this bill. We appreciate their allowing us feedback on the bill, and we hope you support it.

Chair Backus:

Is there anyone else who wishes to give testimony in support of A.B. 261? [There was no one.] We will move to opposition. Is there anyone in Las Vegas who wishes to give testimony in opposition to A.B. 261? [There was no one.] Is there anyone on the phone line who wishes to give testimony in opposition to A.B. 261? [There was no one.] We will come back to Carson City. Is there anyone wishing to give testimony in opposition to A.B. 261? [There was no one.] Next, we will go to testimony neutral to A.B. 261. Is there anyone in Las Vegas who wishes to give neutral testimony on A.B. 261? [There was no one.] Is there anyone on the phone line who wishes to give testimony neutral to A.B. 261? [There was no one.] Is there anyone here in Carson City who wishes to give testimony neutral to A.B. 261?

Leo Drozdoff, representing Truckee Meadows Water Authority:

We are currently testifying neutral to A.B. 261 but do appreciate Assemblywoman Cohen bringing the bill. As a regional water provider TMWA [Truckee Meadows Water Authority] certainly supports efforts to maximize the efficient use of water, which this bill aims to support, and we certainly do not see any concerns with A.B. 261.

Chair Backus:

Is there anyone else in Carson City who wishes to give testimony neutral to A.B. 261? [There was no one.] Do the bill sponsors have any closing remarks?

Nathan Allen:

In closing, I wanted to restate that the intent of this bill is to simply link economic development with water conservation for the first time in the state, and to do it in a way that it is implemented statewide. I really want to thank the members of the Committee, Assemblywoman Cohen for helping us introduce the bill, and Chair Backus for your time today and hearing this bill.

Chair Backus:

We will close the hearing on A.B. 261 and open the work session on Assembly Bill 38.

Assembly Bill 38: Revises provisions relating to the Workforce Innovations for a New Nevada Account. (BDR 18-214)

Susanna Powers, Deputy Fiscal Analyst:

The work session document [[Exhibit D](#)] is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 38 was sponsored by this Committee on behalf of the Office of Economic Development in the Office of the Governor. This bill was heard on February 23, 2023, by this Committee. Under current law, the proceeds of the Workforce Innovations for a New Nevada Account (WINN) are to be used by the Governor's Office of Economic Development to develop and implement programs to provide workforce development services to companies that create and expand businesses in the state and/or relocate businesses to the state. The balance remaining in the account that has not been committed for expenditure on or before June 30 of an odd-numbered fiscal year reverts to the State General Fund.

Assembly Bill 38 requires that the remaining balance in the account not revert to the State General Fund at the end of a fiscal year and instead the balance in the account must be carried forward to the next fiscal year. These provisions would apply for the current fiscal year which ends on June 30, 2023, and all subsequent fiscal years. There were no amendments proposed to this bill. Assembly Bill 38 was denoted as being eligible for exemption by the Fiscal Analysis Division on February 10, 2023. Are there any questions about the work session document?

Assemblywoman Anderson:

Unfortunately, I think I did not ask this during the hearing. I want to make sure I have this correct. What happens if the reserve is ever to the same amount of the budget that we would usually give from the Legislature? Does that mean instead of being able to utilize a budget area they would be able to use that reserve?

Chair Backus:

I know we did touch on that a little bit. Mr. Humm, would you come forward to clarify the purpose of the money rolling over from the prior year?

James M. Humm, Director of Public Policy and Government Affairs, Office of Economic Development, Office of the Governor:

If you do not mind, I would like to turn it over to our Director of Administration, Michele Lynn.

Michele Lynn, Director of Administration, Office of Economic Development, Office of the Governor:

To the question, as I heard it, the reserves would be utilized in the next budget session. The reserve mechanism is basically set up to allow unused funds that may be committed, to be able to process out of the state fiscal year end closing, so it is an adjustment. It is hard to explain. When you are in the system it is kind of your breath, but when you are trying to explain it in laymen terms it is a little bit different because it is an application that we use

here in the state. To try to make it clear, the reserves would be utilized towards the program and be considered in the next budget build. You would not keep stacking a budget amount. You would utilize whatever reserves, as long as those reserve amounts are not pre-encumbered to projects for the WINN program.

Chair Backus:

I believe that was the only question we had for you. At this point, I would like to entertain a motion to do pass A.B. 38.

ASSEMBLYWOMAN CONSIDINE MADE A MOTION TO DO PASS
ASSEMBLY BILL 38.

ASSEMBLYMAN GRAY SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Gray:

I would like to say this is something I have been promoting for a long time. Agencies do not get penalized for a good use of their funds. If there is a reason to hold it over the next year, they can actually do that without being penalized, and the money does not have to revert back to the General Fund.

Chair Backus:

Is there any further discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN ORENTLICHER WAS
ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Gray. I will close the work session on A.B. 38 and open the work session on Assembly Bill 62.

Assembly Bill 62: Revises provisions governing property tax exemptions for low-income housing. (BDR 32-362)

Susanna Powers, Deputy Fiscal Analyst:

The work session document [[Exhibit E](#)] for Assembly Bill 62 is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 62 was sponsored by this Committee on behalf of the Advisory Committee on Housing. This bill was heard on March 7, 2023, by this Committee. Assembly Bill 62 makes the following changes to the existing exemption from real and personal property taxes for certain low-income or very low-income housing related facilities:

- The exemption is expanded to include projects financed by additional federal programs specified in the bill, or from the state's Account for Affordable Housing.

- The exemption is clarified to only apply in years where the project qualifies as a low-income or very low-income housing project or related facility.
- The exemption only applies to the portion of the housing project that was federally financed, and in the case of a low-income housing project or related facility, or which is occupied by or used exclusively for very low-income elderly persons or very low-income persons with disabilities, in the case of a very low-income housing project or related facility.

There were no amendments proposed to this bill. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to do pass A.B. 62.

ASSEMBLYWOMAN GALLANT MADE A MOTION TO DO PASS
ASSEMBLY BILL 62.

ASSEMBLYWOMAN SUMMERS-ARMSTRONG SECONDED THE
MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN ORENTLICHER WAS
ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblywoman Summers-Armstrong. I will close the work session on A.B. 62 and open the work session on Assembly Bill 77.

[Assembly Bill 77](#): Revises provisions governing economic development. (BDR 18-711)

Susanna Powers, Deputy Fiscal Analyst:

The work session document [[Exhibit F](#)] for Assembly Bill 77 is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 77 was sponsored by Assemblyman Yeager. The bill was heard on March 2, 2023, by this Committee. Assembly Bill 77 creates the Office of Entrepreneurship within the Office of Economic Development, Office of the Governor. The Office of Entrepreneurship is required to:

- Work to strengthen policies and programs supporting the growth of entrepreneurship in the state, including, without limitation, across demographic segments and geographic areas.
- Work with stakeholders and organizations supporting entrepreneurship to enhance the learning and skills of, provide technical support to, and expand access to resources for entrepreneurs across the state.

- Serve as a point of contact to assist businesses that have been in operation for not more than five years in their interactions with State agencies.

A proposed conceptual amendment to this bill was submitted by Assemblyman Yeager. The proposed amendment:

- Amend section 7, subsection 3 of the bill [page 2, starting on line 30] to expressly authorize the Office of Entrepreneurship to refer businesses to other State or local agencies assisting small businesses where appropriate.
- Amend section 8, subsection 1 of the bill [page 3, starting on line 1] to include reporting, to the extent possible, the number of new businesses receiving government contracts that are women, minority, or veteran-owned.
- Amend section 8, subsection 1 of the bill [page 3, starting on line 1] to include reporting broadly on the type of businesses receiving government contracts, so the Legislature gets a sense of what types of new businesses, if any, are receiving government contracts.
- Amend section 8 to add a new subsection 5 [page 3, line 22] to report on any additional metrics that in the judgment of the Office of Entrepreneurship would accurately reflect the state of entrepreneurship in Nevada, as well as any recommendations to improve the overall state of entrepreneurship across the state, identifying unique challenges in different regions of the state, if possible.

Assembly Bill 77 was denoted as being eligible for exemption by the Fiscal Analysis Division on February 16, 2023. Are there any questions about the work session document? [There were none.]

Chair Backus:

I will entertain a motion to amend and do pass A.B. 77, with the amendment submitted by Assemblyman Yeager, as outlined in the work session document.

ASSEMBLYMAN NGUYEN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 77.

ASSEMBLYWOMAN MOSCA SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman O'Neill:

I am going to be voting yes to get A.B. 77 out of Committee, but I would like to reserve my right to change my vote. I want to do a little more work and study on this bill.

Assemblywoman Summers-Armstrong:

I would like to say I am really pleased with the amendment. I think it is indicative of the good hearing with Assemblyman Yeager when the questions came from the Committee about capturing data on existing businesses, especially in our smaller business space, so we can know these businesses, how they are providing service, and hopefully find out what they need to be able to last and also to grow as businesses in our state. I am really grateful for the amendment.

Chair Backus:

Are there any further remarks from the members of the Committee? [There were none.]

THE MOTION PASSED. (ASSEMBLYMEN GALLANT, GRAY, AND HAFEN VOTED NO. ASSEMBLYMAN ORENTLICHER WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblywoman Anderson. I will close the work session on A.B. 77 and open the work session on Assembly Bill 98.

Assembly Bill 98: Revises provisions governing economic development. (BDR 18-760)

Susanna Powers, Deputy Fiscal Analyst:

The work session document [[Exhibit G](#)] for Assembly Bill 98 is available to the public on the Nevada Electronic Legislative Information System. Assembly Bill 98 was sponsored by Assemblyman Nguyen. This bill was heard on March 2, 2023, by this Committee. Assembly Bill 98 makes various changes to the Governor's Workforce Investment Board, including:

- Changing the name of the Board to the Governor's Workforce Development Board.
- Expanding the representation of the Board to include members of local workforce development boards and other business representatives from industry sectors.
- Requiring the Board to collaborate with local workforce development boards and regional development authorities on the various economic and workforce development activities.

The bill additionally requires each regional industry or sector partnership working with a local workforce development board to submit certain reports to the Governor's Workforce Development Board.

There were no amendments proposed to this bill. Are there any questions about the work session document? [There were none.].

Chair Backus:

I will entertain a motion to do pass A.B. 98.

ASSEMBLYWOMAN CONSIDINE MADE A MOTION TO DO PASS
ASSEMBLY BILL 98.

ASSEMBLYMAN O'NEILL SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN ORENTLICHER WAS
ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Nguyen. I will close the work session on A.B. 98. This brings us to the end of our agenda. I will open the meeting for public comment. Is there anyone here in Carson City who wishes to make public comment? [There was no one.] Is there anyone in Las Vegas who wishes to make public comment? [There was no one.] Is there anyone on the phone lines this evening who wishes to make public comment? [There was no one.] Do any of the members of the Committee have remarks? [There were none.] Before we adjourn, I wanted to make sure everyone knows our meeting next Tuesday will also be in Room 3142. We are adjourned [at 5:10 p.m.].

RESPECTFULLY SUBMITTED:

Gina Hall
Committee Secretary

APPROVED BY:

Assemblywoman Shea Backus, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a conceptual amendment titled "AB 261 Conceptual Amendment Proposed by WaterStart," presented and submitted by Nathan Allen, Executive Director, WaterStart.

[Exhibit D](#) is the Work Session Document for [Assembly Bill 38](#), dated March 23, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit E](#) is the Work Session Document for [Assembly Bill 62](#), dated March 23, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit F](#) is the Work Session Document for [Assembly Bill 77](#), dated March 23, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit G](#) is the Work Session Document for [Assembly Bill 98](#), dated March 23, 2023, submitted and presented by Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.