

## Legislative Counsel's Digest of Assembly 449

The provisions of this bill establish a structure for the economic development programs of this State. Section 8 creates an **Advisory Council on Economic Development** and prescribes its duties. Section 10 creates the **Board of Economic Development**, consisting of the Governor or his or her designee, the Lieutenant Governor or his or her designee, the Secretary of State or his or her designee, the Chancellor of the Nevada System of Higher Education or his or her designee and seven persons appointed by the Governor, the Speaker of the Assembly, the Majority Leader of the Senate, the Minority Leaders of the Assembly and Senate and the Department of Employment, Training and Rehabilitation.

Sections 12 and 13 create the **Office of Economic Development within the Office of the Governor** and the position of Executive Director of the Office, who must be appointed by the Governor from a list of three persons recommended by the Board. Section 11 prescribes the duties of the Board.

Sections 14 and 15 prescribe the duties of the Office and its Executive Director, which include, without limitation, the development of a State Plan for Economic Development and the designation of regional development authorities for the regions of this State.

Section 15.5 of this bill authorizes the Office of Economic Development to enter into certain contracts with regional development authorities for services which promote the economic development of this State and aid the implementation of the State Plan for Economic Development.

On and after July 1, 2012, sections 82 and 83 authorize the Office and its Executive Director to coordinate, oversee and reorganize the programs for economic development in this State consistently with the State Plan for Economic Development.

On July 1, 2012, sections 1.5, 24-29, 30, 31, 31.7-36, 43-45, 47-51, 54-69, 71 and 79-80 transfer the existing powers and duties of the Commission on Economic Development to the Office of Economic Development and require the coordination of certain activities of various public entities with the activities of the Office.

In addition, sections 49-51 require the recipients of certain partial tax abatements approved by the Office to repay the abated amounts if the recipients cease to meet the eligibility requirements for the abatements.

Sections 52.3-53.7 of this bill require the Director of the Department of Business and Industry to obtain the approval of the Office of Economic Development before the Director issues certain revenue bonds for industrial development.

Section 70 of this bill amends provisions concerning partial abatements of property taxes for certain energy-efficient buildings to require the Director of the Office of Energy to consult with the Office of Economic Development and requires the recipients of those abatements to repay the abated amounts if the recipients cease to meet the eligibility requirements for the abatements.

Sections 72-78 of this bill amend provisions concerning partial tax abatements for certain renewable energy facilities to require consultation between the Nevada Energy Commissioner and the Office of Economic Development in granting the partial tax abatements and to require the recipients of those

abatements to repay the abated amounts if the recipients cease to meet the eligibility requirements for the abatements.

Sections 9, 16, 17 and 17.5 of this bill create and provide for the administration of the Catalyst Fund. The money in the Catalyst Fund does not revert and may be supplemented by gifts, grants, donations, bequests or other sources of money.

Section 9 authorizes the Commission on Economic Development to make, after considering the advice and recommendations of the Advisory Council on Economic Development, grants or loans of money from the Catalyst Fund to regional development authorities. The grants or loans must be used to make grants or loans to, or investments in, businesses seeking to create or expand in this State or relocate to this State.

On July 1, 2012, section 17 transfers the authority to make those grants or loans to the Executive Director of the Office of Economic Development.

Sections 18-22 establish a program for the development and commercialization of research and technology at the University of Nevada, Las Vegas, the University of Nevada, Reno, and the Desert Research Institute.

Section 19 creates the Knowledge Fund. Section 22 requires the Executive Director of the Office of Economic Development to allocate money in the Knowledge Fund to be used by the Universities and the Desert Research Institute to provide funding for: (1) the recruitment, hiring and retention of faculty and teams to conduct research in science and technology; (2) research laboratories and related equipment; (3) the construction of research clinics, institutes and facilities and related buildings in this State; and (4) matching funds for federal and private grants that further economic development.

Under section 21, the Executive Director must use money in the Knowledge Fund to establish a technology outreach program at strategic locations throughout this State and ensure that the program assists with the development of commercial applications of research. Section 20 requires the Executive Director to establish economic development goals and objectives for these programs and to monitor the programs and the use of money from the Knowledge Fund.

Section 19.3 authorizes the Executive Director, the University of Nevada, Las Vegas, the University of Nevada, Reno and the Desert Research Institute to enter into agreements for the allocation of commercialization revenue generated from programs receiving money from the Knowledge Fund.

Section 86 repeals the provisions authorizing the establishment of regional development districts by the Governor.

**Advisory Council on Economic Development** consists of:

- (a) The Governor;
- (b) The Lieutenant Governor;
- (c) The Speaker of the Assembly;
- (d) The Majority Leader of the Senate;
- (e) The Minority Leader of the Assembly;
- (f) The Minority Leader of the Senate; and
- (g) The Secretary of State.

The Lieutenant Governor shall serve as the Chair of the Advisory Council.

The members of the Advisory Council shall serve without compensation except that:

- (a) Upon the prior approval of the Executive Director, the members of the Advisory Council who are not Legislators are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the official business of the Advisory Council ; and
- (b) For each day or portion of a day during which a member of the Advisory Council who is a Legislator is engaged in the official business of the Advisory Council, except during a regular or special session of the Legislature, the Legislator is entitled to receive the per diem allowance provided for state officers generally and the travel expenses provided pursuant to NRS 218A.655. The per diem allowances and travel expenses of the members of the Advisory Council who are Legislators must be paid from the Legislative Fund.

The members of the Advisory Council shall:

- (a) Meet at least once each quarter to discuss the efforts made by each member to further the economic development of this State and the results and expected results of those efforts.
- (b) Market this State to further the economic development of this State and, after the Executive Director has developed the State Plan for Economic Development pursuant to subsection 2 of section 14 of this act, conduct such marketing in accordance with the State Plan for Economic Development. The efforts made pursuant to this paragraph may include, without limitation, attending industry conferences, publicizing the economic development programs of this State and meeting with the leaders of businesses who express interest in expanding or relocating in this State.
- (c) Provide advice to the Board concerning the economic development of this State.