



Nevada: Action Plan for Recovery and Resilience

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SRI International®

Nevada: Ground Zero

The Global Situation

The global pandemic, COVID-19, has put a strain on all public health and economic systems. It has led to another worldwide recession.



Nevada's Outlook

Nevada is particularly exposed with a procyclical economy. The added impact of the pandemic on travel and hospitality makes this exposure worse.

“Travel and tourism—which funnels \$83 billion in tax revenue annually to state and local governments—is in a freefall...”

Bloomberg, April 4, 2020

Nevada: Recovery & Resilience

Nevadans yearn for a return to normality.

However

Economic recovery depends upon an effective public health response across Nevada as well as among the U.S. population.

The public health response and the economic policy response cannot be separated: **A strong public health response will build consumer confidence.**

35% of U.S. adults say that they are currently comfortable going out to eat

32% of U.S. adults say that they are currently comfortable going on vacation

20% of U.S. adults say that they are currently comfortable going to an amusement park

17% of U.S. adults say that they are currently comfortable going to a concert

Morning Consult, June 9, 2020

Nevada: Action Plan for Recovery & Resilience

The Governor's Office of Economic Development (GOED) is working with stakeholders, elected officials, business organizations, workers, and employers to develop an action plan for immediate economic recovery and long-term resilience.

Immediate Recovery

GOED and partners are targeting a variety of coordination, information, and leadership challenges (workforce, regulation, business services).

Long-Term Resilience

GOED is designing and pursuing policies that set Nevada apart for the future, under new economic conditions, continuing the state's drive for resilience and diversification.

Nevada: Action Plan for Recovery & Resilience

High-level 12-24 month economic and fiscal analysis and projection for the state of Nevada and its two MSAs by RCG Economics.

Plan to include three economic/fiscal scenarios and projections (best, most likely and worse case). Covid-19-related key indicators to be included in the analysis will include:

- Total employment
- Initial unemployment claims
- Visitor volume
- Taxable retail sales
- U-3 (headline) unemployment rate and workforce participation rate
- Sales and Use Tax Collections

Priorities for Action

1

Resources for People and Businesses

Immediate Recovery

Support all Nevada agencies that are part of the flow down of federal funds

Long-Term Resilience

Support public action to build an appropriate financial infrastructure for “unbanked” workers to help shelter them from future shocks

Activities could include:

- Consider integration of all state administrative and financial systems (to include payments systems to residents such as UI, TANF, WICK, Medicaid, etc.)
- Foster a community banking network and enhance industrial banking and credit unions

Priorities for Action

2

Business Support and Expansion

Immediate Recovery

Provide guidance to small and medium enterprises [SMEs] on the protocols and practices required to operate under these new conditions

Long-Term Resilience

Develop and share a set of science-based protocols for all businesses, setting a national standard

Activities could include:

- Open business recovery centers within the network of Nevada's [Small Business Development Centers](#) and the Department of Business and Industry
- Increased funding for technology-based entrepreneurship
- Targeted support for technology-based firms in automation and digital technologies

Priorities for Action

3

Workforce for the New Normal and Beyond

Immediate Recovery

Support community colleges in recruiting and graduating students in areas of need, including non-health sectors experiencing high demand

Long-Term Resilience

Support the design of compressed allied health services curricula and other curricula for skills in short supply, with an emphasis on competencies and skills

Activities could include:

- Radical expansion of health services programs at all levels
- Accelerate integration of workforce programs with business needs
- Fund Community College development of accelerated training programs for employers continuing or resuming operations
- Protect funding streams for in-demand and growing academic programs at Nevada's four-year institutions

Priorities for Action

4

New Technologies for Business

Immediate Recovery

Identify appropriate technologies for managing public health and the economy, formulate plans to deploy at scale, and provide guidance to Nevada businesses looking for reliable information

Long-Term Resilience

Develop a vision and actionable strategy to make Nevada the recreational haven of the future, fortified by best-in class measures in public health

Activities could include:

- Support the development of websites and e-commerce capabilities for SMEs
- Aggregate and share vendor information for contactless and online payment systems
- Support the increased use of sensors and other technologies for security and safety

Priorities for Action

5

Data for Decision-Making

Immediate Recovery

Integrate public health data with economic data in order to provide reliable advice to Nevada's businesses and workforce institutions

Long-Term Resilience

Become a one-stop data hub for the state, with an emphasis on the credible communication of information regarding the health of the state's economy and society

Activities could include:

- Integrate state-level data with other states in the Western States Pact
- Distribute Real Time Labor Market Information (RLMI) via RDA and Chamber sites

Visionary Ideas for the Medium Term

As the recovery and resilience plan is implemented, Nevada's leaders must identify and pursue distinctive ideas and initiatives to ensure Nevada's economic and social resilience into the future:

Advanced manufacturing hub

Onshore manufacturing, advanced logistics

World-class zero-carbon economy

Renewable energy, battery supply chain, electric vehicle technologies

Technology

Total connectedness, data hubs, digital services

Health and wellness

Health services, wellness, sports medicine

Remote work playground

Quality housing, outdoor recreation, arts and entertainment

Capabilities to Realize the Vision

In order to realize the strategies for the future, Nevada will need to build or rebuild key financial and institutional capabilities, combined with realistic statutory actions:

Fully fund the state infrastructure bank

Establish a sovereign wealth fund

Build network of innovation and evergreen venture funds

Reform local finance (e.g., by ending property tax caps at time of sale)

Redesign governance and funding mechanisms for the community college system

Increase Nevada's Renewable Portfolio Standard (RPS) and emissions reductions targets

Thank you