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**Legally speaking: Looking ahead to the 2019 Nevada Legislature**

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RENO, Nev. — Uncertainty over who will replace Brian Sandoval to become the 30<sup>th</sup> Governor of Nevada — and a crucial showdown over the controversial energy ballot measure Question 3 — will have a large impact on the 80<sup>th</sup> Session of the Nevada Legislature.

The session begins Tuesday, Feb. 4, and runs for 120 days. Nearly 525 Bill Draft Requests (BDRs) already have been submitted, and more than 2,000 BDRs are expected for the session.

Regardless of who wins the hotly contested race for governor or how the question of deregulating energy in the state of Nevada plays out, the upcoming Legislative Session will tackle many of the state's most pressing issues.

Energy, education and healthcare are three of the many topics that will be at the heart of proposed bills, but the direction and focus of key pieces of new legislation primarily depends upon who resides in the Governor's Mansion in Carson City.

This election is particularly important for residents and business owners across the state, says Jodi Stephens, senior policy adviser for Brownstein Hyatt Farber Schreck of Reno.

"The election will determine a lot of what those BDRs look like, and while we know the Democrats will have control of both houses, the Governor's race is a coin flip," she said during a September 2018 interview. "(The Legislature) is go to look differently depending on who is the Governor and if there are any super majorities — that is the nature of the beast.

"It is important that people get out and vote so that the few aren't making decision for the many."

# Energy will be at the forefront

Stephens says her firm is closely monitoring all Bill Draft Requests, but the problem is that those BDRs do not contain any specific data and only propose a general topic. However, certain patterns are starting to arise — and Stephens says one thing is certain: regardless of how ballot measures 3 and 6 go, energy will be at the forefront of many heated legislative discussions.

Alfredo Alonso, principal with Lewis Roca Rothgerber Christie and chair of the firm's Nevada government relations practice group, agrees that energy will be a huge issue for the upcoming session.

If Nevada Question 3 (a "yay" vote would declare Nevada's "electricity markets be open and competitive") passes, the state will have to create an entire framework on how deregulation will work. If it fails, there's still the question of addressing the state's renewable portfolio standard.

"It is probably the most important issue because it really does change how the state gets its energy forever," Alonso says. "It will be put in the Constitution, and it will be really interesting to see how the legislature addresses it either way.

"It won't matter if Question 3 passes," he adds, "but if it doesn't we'll want to make sure Nevada is using more renewable energy."

Garret Gordon, a government relations attorney with Lewis Roca Rothgerber Christie, says there are currently more than 10 BDRs dealing with energy and the state's renewable portfolio standard, including proposed incentives for green building and energy efficiency.

The Nevada renewable portfolio standard was first established in 1997 and mandates the amount of energy sold to the state from renewable sources such as geothermal, solar and wind. The current standard mandates 25 percent of total energy from renewables by 2025 — it's currently at 20 percent.

# Healthcare law also a key discussion

Other key concerns for the Legislative Session in Nevada mirror national issues, Alonso adds. That means healthcare will dominate hours of discussion.

"Healthcare will be one of (Nevada's) most important issues," Alonso says.

Many proposed bills likely will contain language mandating insurance coverages or procedures. Those bills matter, Alonso notes, because if the state mandates coverages for procedures or prescription drugs then costs for those procedures likely will be passed on to consumers by healthcare insurers.

Surprise billing also likely will be another issue to be addressed as legislators propose ways to eliminate surprise billing if patients are forced to use a doctor or facility that's out of network.

"It is a huge problem, and Nevada has been trying to address it," Alonso says.

Other healthcare issues likely to crop up during the Legislative Session include mental health funding and continuing expansions for Medicaid that began under Gov. Sandoval.

## Education, too

Education also will be at the forefront of much proposed legislation. Alonso says bills on education will run the gamut from basic funding to how the state deals with its charter schools.

"(Education) is always about funding, and are we funding education enough," he says. "Governor Sandoval started some reforms and adding additional funding, and I think the legislature will look at that and decide where we go, how to improve and move us out of the position we are in to get more kids graduated. We will have a lot of bills that deal with those issues on different levels."

Affordable housing, including tax credits, land trusts, and the possibility of providing developers with incentives to develop affordable housing or subsidizing building and impact fees, are other key issues likely to be addressed as well.

Smaller issues expected to crop up during the 2019 Legislative Session include bail reform, short-term lending, equal pay, sexual harassment, growth and responsible development, water and water rights, and taxation — especially taxation in the cannabis industry. As of late September, there were a handful of BDRs with language that dealt with the cannabis industry.

"There was a surplus of taxes received based on sale of marijuana — it far exceeded anyone's expectations," Gordon says. "Those taxes are earmarked for education, but how that all should be funded will be a subject of discussion."

Stephens says that a great thing about the upcoming legislative session is that any time a chapter is opened on the Nevada Revised Statutes it provides an opportunity to enact meaningful change.

"We will monitor everything to see how it will play out," Stephens says. "Some legislators are still fleshing out specifics, and until you see full Bill Draft Request you can't really take a position; you just monitor how it could potentially impact a client."

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