



**ARGENTUM**  **PARTNERS**



## SESSION OVERVIEW

The 83rd Session of the Nevada Legislature commenced on Feb. 6, 2023. This Session was notable for a number of reasons, even before a single bill dropped. First, this was the first fully-live session since the 2019 Session adjourned. Legislative freshmen in 2021 (12) had never experienced a live session, which when combined with the 17 freshmen in 2023, created a steep learning curve on legislative dynamics. In addition to a predominantly freshman legislature, Nevada elected former Clark County Sheriff Joe Lombardo, a Republican, to the Governor's Mansion; his first state-level elected post. The Democrats regained a supermajority in the Assembly but were 1 seat short of a supermajority in the Senate. Given the inability of Democrats to overcome a veto or pass revenue measures without Republican support, and the backstop of a Republican Governor, it was hoped policy, revenue and the budget would be negotiated and compromised.

Unfortunately, it was glaringly apparent from the get-go that any hope of balance and communication would quickly be dashed by national political talking points, partisan politicking, in-fighting amongst the parties and between the houses, and huge last-minute policy issues that ultimately derailed the 2023 Session straight into 2 Special Sessions, and the prospect of a third later in the year.



## SESSION OVERVIEW: SENATE CHAMBER

The Senate Democratic Caucus increased their majority to 13-8 in the 2022 General Election, gaining another seat, leaving them one short of a supermajority. Senator Nicole Cannizzaro returned as Majority Leader.

Senator Heidi Gansert was voted the new Minority Leader. Assemblywomen Lisa Krasner and Robin Titus both won Senate seats to change their titles. Former California Senator Jeff Stone won his election and became the third freshman Senator on the Republican side.

The Democrats, on the other hand, welcomed Assemblyman Flores as a new Senator, along with incoming freshman, Senator Julie Pazina.

Upon adjournment, the legislative career of Senator Pat Spearman, as well as Scott Hammond and Pete Goicoechea, came to a close due to term limits, leaving at least 3 open seats. Additionally, following redistricting, current voter registration figures place Heidi Gansert's seat in contention for the upcoming election.

# SESSION OVERVIEW: SENATE CHAMBER

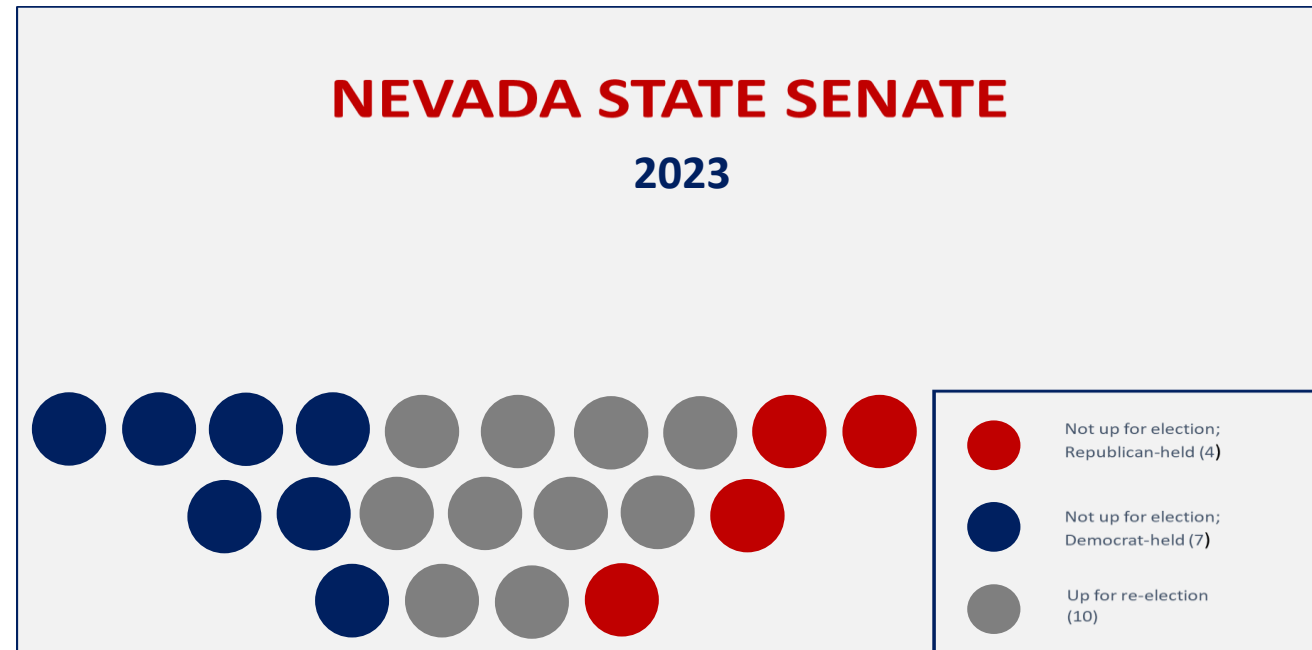
Of the 10 seats open for re-election, 6 are held by Democrats and 4 are held by Republicans.

## Democrat Seats:

- Senate Dist. 1 – Pat Spearman (Termed Out)
- Senate Dist. 3 – Rochelle Nguyen
- Senate Dist. 4 – Dina Neal
- Senate Dist. 6 – Nicole Cannizzaro
- Senate Dist. 7 – Roberta Lange
- Senate Dist. 11 – Dallas Harris

## Republican Seats:

- Senate Dist. 5 – Carrie Buck
- Senate Dist. 15 – Heidi Seevers Gansert
- Senate Dist. 18 – Scott Hammond (Termed Out)
- Senate Dist. 19 – Pete Goicoechea (Termed Out)



## SESSION OVERVIEW: ASSEMBLY CHAMBER

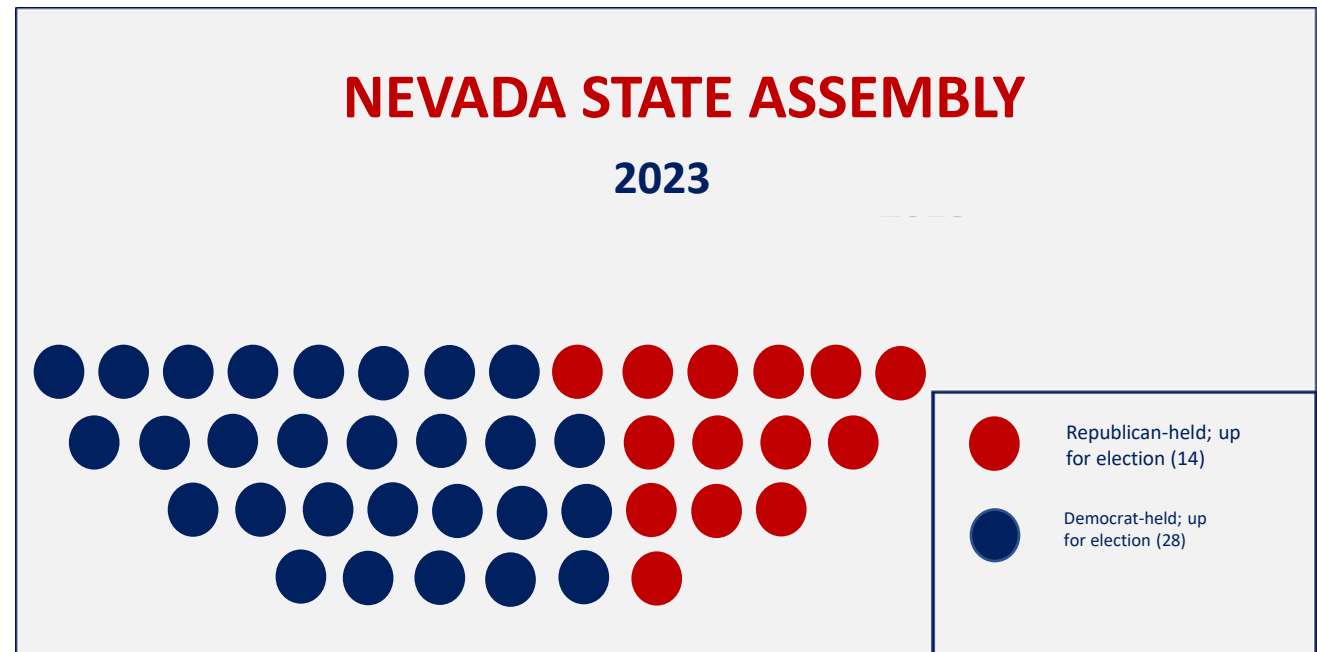
The 2022 General Election witnessed the Assembly Democratic Caucus regain its supermajority; winning 2 additional seats. The split in the lower house was 28-14. Since the 2015 Session, only once (2021) was there not a supermajority in the Assembly, and all but the 2015 Session were in favor of the Assembly Democrats.

Both Republicans and Democrats elected staggering numbers of freshman legislators to the Assembly, with the Republicans picking up 7 brand new members and Democrats picking up 7 as well (Shea Backus was elected for her first term in 2018 but lost in 2020). This represents 33% of the lower house. This in conjunction with the almost all virtual session in 2021 made institutional and procedural knowledge very limited.

Assemblyman Steve Yeager was elected Speaker, and Assemblywoman Sandra Jauregui was elected Majority Leader. Returning Assemblyman P.K. O'Neill (originally elected in 2014, he lost his 2016 re-election bid, but returned to the Assembly in 2020), assumed the duties of Minority Leader.

# SESSION OVERVIEW: ASSEMBLY CHAMBER

As always, all 42 seats are up for re-election in 2024, so there is opportunity for change in the make-up of the body. However, there is likely to be very little turnover in this election, as so many members are new, and recent redistricting ensured many “safe” districts.



# SESSION THEMES

- Budget Surplus
- Affordable Healthcare/Healthcare Security
- School Funding/Charter Schools/School Choice
- Fentanyl
- Prevailing Wage
- Voting/Polling Place Reform
- Rent Control/Affordable Housing
- A's Stadium
- Film Tax Credits
- Medical Malpractice Caps

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: PREVAILING WAGE

- AB 210 – requires certain documents relating to the payment of prevailing wage to be provided electronically. Provides for penalties if the Labor Commissioner finds prevailing wage was not paid when required. (Signed by the Governor.)
- AB 235 – requires workers that provide or are contracted to provide “custom fabrication” to a local government or state agency to be paid prevailing wage. Additionally, workers who perform custom fabrication must be paid prevailing wage. (Vetoed by the Governor.)
- SB 226 - requires prevailing wage to be paid on any lease buy-back, wherein a local government or state agency is leasing the property for purchase for the use of the local government or state agency. (Signed by the Governor.)
- SB 299 – removes the exemption for monorails to be required to pay prevailing wage. Any new installation and operation would be required to pay prevailing wage. (Vetoed by the Governor.)
- SB 433 – allows the Labor Commissioner to determine the applicability of prevailing wage requirements outside the authority of any local government or public body. (Vetoed by the Governor.)



# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: PUBLIC SAFETY

- AB 50 – enhances the penalties for organized retail crime and allows the local District Attorney to enlist the help of the Attorney General’s Office with investigation and prosecution of individuals committing the crimes. (Signed by the Governor.)
- SB 370 – protects certain healthcare related data from being sold or shared without consent. (Signed by the Governor.)

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: CONSERVATION AND CLIMATE CHANGE

- AB 144 – bans the sale of fluorescent light bulbs in brick-and-mortar stores in the state. (Vetoed by the Governor.)
- AB 220 – SNWA omnibus bill, enacting residential conservation programs and standards for landscape, enacting certain restrictions for water use on single-family homes, and establishing a program to help pay for septic users to connect to municipal sewer systems. (Signed by the Governor.)
- AJR 3 – constitutional amendment guaranteeing Nevadans the right to a clean and healthy environment and requiring the protection of environmental resources and further prohibits unreasonable degradation, diminution, or depletion of the environment. (Failed the first deadline.)
- SB 281 – increases transparency for natural gas utility companies, requires a gas utility to appear before the PUCN for rate changes, and requires a gas utility to provide for approval by the PUCN a plan for natural gas infrastructure maintenance and expansion of infrastructure. (Signed by the Governor.)
- SB 451 – directs the Joint Interim Standing Committee on Growth and Infrastructure to conduct a study relating to production and storage of hydrogen, use of stored hydrogen as a potential energy resource and the development of hydrogen technologies. The study must also include a higher education component and feasibility of using hydrogen as an energy source. (Signed by the Governor.)

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: REAL PROPERTY

- AB 327 – requires licensing of a property manager and real estate broker who provides contracted property management services to 4 or more dwelling units, designates a person who provides dwelling units of 4 or more and engages in property management of those units as a landlord property manager and provides penalties for those not in compliance. (Failed the first deadline.)
- AB 340 – repeals summary eviction procedures for residential only, enacts new notice procedures, service procedures, and allows a tenant to file an answer, and in addition provides for automatic sealing of eviction records. (Vetoed by the Governor.)
- SB 78 – revises how security deposits are collected, requires a landlord to provide a detailed list of all damages the security deposit will be used to pay for, revises the definition of normal wear and tear, changes the date by which a landlord may deem rent late, requires all fees in addition to rent to be listed in an appendix to the lease agreement, along with tenant's state and federal rights, this bill requires advanced notice of rent increases and as the notices relate to eviction, and allows a landlord or a landlord's representative to be represented in small claims court. (Vetoed by the Governor.)
- SB 335 – enacts a diversion court for summary eviction proceedings. (Vetoed by the Governor.)

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: TAXES

- AB 1 – allows rural counties to pass an ordinance raising sales tax for the purpose of sewer infrastructure. (Died in committee.)
- AB 345 – removes the exemption in statute that REITs are not required to pay the Commerce Tax. (Died on the Secretary's Desk.)
- AB 448 – removes the exemption that allows a company with the same ownership to purchase or transfer a property for the purpose of avoiding the payment of the Real Property Transfer Tax. (Signed by the Governor.)
- AJR 7 – a constitutional amendment that would prohibit any adjustment to the value of improvements on the real property which is based on the age of the improvement and certain partial abatements, it also provides refunds for persons 62 years-old or older or disabled on the primary residences of such persons. (Failed first deadline.)
- SB 96 – puts a 3% floor in for commercial properties only, for the purpose of property tax calculations. (Failed first deadline.)
- SB 193 – raises the threshold for Commerce Tax from \$4,000,000 to \$8,000,000. (Failed first deadline.)
- SB 502 – raises the threshold for Commerce Tax from \$4,000,000 to \$6,000,000 and discounts the fuel tax by 100% and appropriates \$250,000,000 from the General Fund into the State Highway Fund for infrastructure projects. (Died in committee.)

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: ECONOMIC DEVELOPMENT

- SB 181 – raises the threshold for certain smaller economic development projects that can be approved by the Executive Director of GOED from \$250,000 to \$500,000. (Signed by the Governor.)
- SB 432 – establishes a regional powers authority under GOED, with appointed members required to meet and direct allocations of money from the newly created Account to Mitigate the Regional Impacts of Economic Development, to mitigate the impacts of a qualified project on housing, transportation, education, water, wastewater, and power in the regions surrounding the qualified project, defined as a project approved by GOED of an investment of \$1,000,000,000. (Failed the first deadline.)

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: PLANNING & ZONING

- AB 10 – creates a TID known as a transportation and housing reinvestment zone to promote transportation projects and affordable housing using bonds and other securities. (Failed the first deadline.)
- AB 213 – streamlines the planning process related to affordable housing projects going through the application process in cities and counties. It requires governing bodies to publish on their websites the list of applications related to the land use and zoning in areas zoned for residential housing and revises the annual report the governing body is required to submit to the Housing Division of the Department of Business and Industry, related to affordable housing. (Signed by the Governor.)
- SB 19 – prohibits a city from annexing certain lands conveyed by the federal government of at least 5,000 acres for the purpose of developing an airport and related infrastructure and addressing noise compatibility issues related to an airport. It allows a city to annex certain areas, if approved by the county commission prior to certain effective dates and is located within the boundaries subject to an interlocal agreement. (Signed by the Governor.)
- SB 247 – establishes the regional planning coalition, the coalition may review masterplans if the coalition is established. The bill provides that if the coalition is established to review plans, those plans, policies, and programs are consistent with those adopted by local air pollution control board and the RTC in which the county is located. It also eliminates the requirement the governing body provide copies of the analysis to the regional planning coalition. (Signed by the Governor.)

# COMMERCIAL REAL ESTATE SPECIFIC LEGISLATION: CONTRACTORS BOARD

- AB 22 – increases penalties associated with unlicensed contractors not complying with cease-and-desist orders and provides for additional penalties, including criminal prosecution for unlicensed contractors. (Signed by the Governor.)
- AB 27 – requires a general building contractor to have an active license in the same classification and subclassifications required to be held by a prime contractor in order to provide management and counseling services. (Signed by the Governor.)

COMMERCIAL REAL  
ESTATE SPECIFIC  
LEGISLATION:  
MISC. LEGISLATION

- AB 105 – allows a broadband provider to lay fiber in an existing public utilities easement. (Failed the first deadline.)
- AB 303 – prohibits an operator from charging a fee for towing a vehicle solely because its registration is expired or not properly displayed. Allows an owner to pay one hardship tariff per year. (Failed the final deadline.)
- SB 427 – codifies certain heat mitigation regulations brought before the Legislative Commission in 2021, that were not adopted. (Failed final committee deadline.)



# 2023 NEVADA LEGISLATIVE SESSION: BY THE NUMBERS

- BDR's – 1,234
- Total Bills – 1,044 (531 Assembly / 513 Senate)
- Bills Passed by Legislature – 610 (58%)
- Bills Signed – 535 (88%)
- Bills Vetoed – 75 (12%)
- Resolutions Introduced – 52 (29 Assembly / 23 Senate)
- Resolutions Passed – 37

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