

TRI-STRATEGIES

Government Relations & Public Affairs

To: Incline Village General Improvement District Board of Trustees
From: Tri-Strategies
Subject: Legislative Update
Date: 06-11-19

Legislative Update

I. Overview

The 80th Session of the Nevada Legislature adjourned at midnight on the morning of June 4th, 2019. Democrats held a super majority in the state Assembly, a strong majority in the state Senate and held the Governor's office for the first time in 20 years. Overall, there were 545 Assembly Bills, 557 Senate Bills, 10 Assembly Joint Resolutions, 11 Assembly Concurrent Resolutions, 7 Assembly Resolutions, 7 Senate Joint Resolutions, 11 Senate Concurrent Resolutions and 8 Senate Resolutions that were introduced and that required our monitoring. Out of those, there were a total of 20 bills that we were specifically tracking for IVGID as they made their way through the legislative process.

II. Bills

The following are the list of bills that we tracked this session and their respective outcomes.

- **Senate Bill 279**

SB279 was the bill sponsored by Senator Ben Kieckhefer that the IVGID Board



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of Trustees voted to take a position of neutral on. The bill added a significant list of requirements to a GID's process of disposing of real property. It received a work session on April 5th in Senate Government Affairs, where it was approved. It was voted out of the Senate floor unanimously on April 10th. It was then heard in Assembly Government Affairs on April 23rd. Tri-Strategies spoke on the record in the position of "neutral" and clarified on the record, that while the bill directly impacts IVGID we wanted to make sure everyone was aware that IVGID followed all rules and procedures in place whenever the disposal of real property occurred. We also were able to secure confirmation on the record from Senator Kieckhefer himself that confirmed IVGID has done everything right.

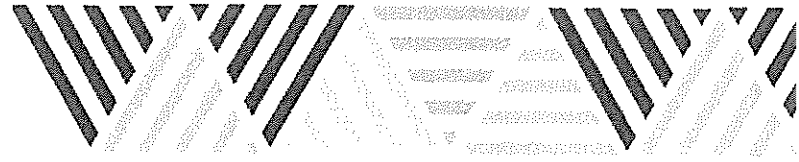
As mentioned in previous updates, IVGID attached an exhibit to this bill, as approved by the Board of Trustees that indicated a concern over the fiscal impact of the bill. The bill received a work session on May 16th, where it was voted out with an amendment unanimously. The amendment simply eliminated the proposed requirement that the highest of the two appraisals be used as the minimum amount the real property in question could be sold and instead replaced it with the average of the two appraisals.

The bill was voted out of the Assembly Floor on May 24th and was subsequently signed by the Governor on June 5th, 2019.

- **Assembly Bill 84**

This bill is enormously positive for IVGID and the community as a whole. It has its origins in the general election held on November 5, 2002, where the Legislature had submitted to the voters of this State, and the voters approved, a proposal to issue general obligation bonds of the State to protect, preserve and obtain the benefits of the property and natural resources of this State in an amount not to exceed \$200,000,000. The ballot question allocated specific amounts of the bond proceeds to various governmental entities for specified programs and projects.

This bill required the State Board of Finance to issue an additional \$200,000,000 in state general obligation bonds to continue to protect, preserve and obtain the benefits



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of the property and natural and cultural resources of this State. This bill also allocated specific amounts of the bond proceeds to various governmental entities for specified programs and projects, some of which are the same programs and projects specified in the 2002 ballot question.

In its amended form, this bill raised the total amount authorized from \$200,000,000 to \$217,500,000 and specifically earmarked an amount of \$5,000,000 to the State Department of Conservation and Natural Resources for grants to Douglas County, Washoe County or Carson City and municipalities located within those counties to enhance and develop the Lake Tahoe Path System. Money awarded pursuant to this subparagraph must be used to acquire land for the path system or develop the path system.

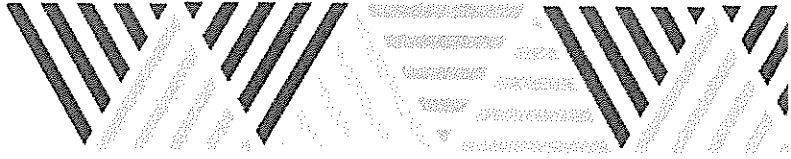
Status: AB84 received a hearing in Assembly Ways and Means on May 23rd. In that hearing the committee adopted the amendment and voted it out of committee unanimously. On May 28th it was voted out of the Assembly Floor. It received a hearing in Senate Finance and was voted out of that committee on June 2nd. On June 3rd it was voted out of the Senate Floor and has been delivered to the Governor's Office.

- **Assembly Bill 18**

This bill dealt with the express powers of a local government bodies. Existing law provides the governing bodies of incorporated cities, unincorporated towns and general improvement districts with certain express powers. (Chapter 268, 269 and 318 of NRS)

Sections 1-4 of this bill authorized those governing bodies to provide for the construction, installation and maintenance of ramps that comply with the Americans with Disabilities Act of 1990. (42 U.S.C. §§ 12101 et seq.)

Sections 1-3 of this bill authorized those entities to locate such ramps within any



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public easement or right-of-way if the public easement or right-of-way is within a reasonable proximity of any public highway and the ramp may be located safely within the public easement or right-of-way without damaging the facilities of other persons who are authorized to place their facilities within the public easement or right-of-way.

Status: Received a hearing in Assembly Government Affairs on February 28, 2019. Has not been voted out of committee. Was “amend and do pass” out of Assembly Government Affairs on April 11, 2019. It was voted out of the Assembly unanimously on April 23, 2019. It received a work session on May 15th and was voted out of the Senate floor on May 20th and was signed by the Governor on May 23rd.

- Assembly Bill 70

This is a long bill and thus it makes sense to break it up into sections. Crucially, it allowed (did not mandate) public bodies the ability to delegate decisions concerning litigation to the Board Chair; (Sec.3) It also Increased potential fines for repeat offenders of Open Meeting Law; (Sec 12) It required that public make “reasonable efforts” to utilize a room large enough to accommodate “anticipated size” of the public turnout, but clarifies that meeting can go on without an OML violation as long as reasonable efforts where made; (Sec 6)

This bill clarified that OML trainings would fall outside of OML requirements , trainings can be conducted by AG’s office or legal counsel for the public body;(Sec 5) It only required “reasonable efforts” to have members who participate in meeting telephonically/electronically be heard and clarifies that a public body may continue their meeting as long as a quorum was able to participate; (Sec 2) An amendment removed a previous bill requirement that the agenda be approved; (Sec 6) It further required public bodies to maintain audio or transcripts of meetings for 3 years up from 1 year. (Sec 7) Finally, it permits the AG’s office to decline to investigate OML complaints raised “in bad faith” (Sec 10)



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Status: Received a hearing in Assembly Government Affairs on March 6, 2019. Has not been voted out of committee. Was amended and passed out of Assembly Government Affairs on April 12, 2019. It was voted out of the Assembly 31-9 on April 23, 2019. It received a work session in its Senate committee on May 15th where it was passed. It was voted out of the Senate with an Amendment on May 24th. Because of that Amendment it had to have a Conference Committee where a resolution was achieved on June 2nd. It was delivered to the Governor for signature.

- **Assembly Bill 86**

This bill exempted certain purchases by local governments from requirements of competitive bidding. It also increased the monetary thresholds at which local governmental purchasing contracts must be advertised. It authorized: (1) a local government to dispose of personal property by donating it to another governmental entity or nonprofit organization; (2) the Administrator of the Purchasing Division of the Department of Administration to enter into a contract pursuant to a solicitation by certain governmental entities. Finally, it revised provisions governing certain preferences for businesses owned and operated by a veteran with a service connected disability.

Status: Received a hearing in Assembly Government Affairs on February 21, 2019. Had a work session on March 22, 2019. Has not been voted out of committee. Referred to Committee on Ways and Means on April 11, 2019. It was voted out of the Assembly unanimously on April 23, 2019. It received a committee hearing in Senate Government Affairs on May 13th, was voted out of committee on May 17th and was voted out of the Senate floor on May 21st. It was signed by the Governor on May 25th.

- **Assembly Bill 101**

This bill authorized a private plaintiff to bring an action for a declaratory judgment



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to determine whether the State of Nevada or a political subdivision of the State violated any applicable provision of state law or a local ordinance. It also stated that if a court issues a declaratory judgment finding that any alleged action of the State or political subdivision violated any applicable provision of state law or a local ordinance, the action taken by the State or political subdivision is null and void. It also allowed a private individual to seek declaratory judgment in an action of a government entity thereby making government entities more susceptible to lawsuits.

Status: Received a hearing in Assembly Judiciary on February 14, 2019. Did not get voted out of committee prior to the committee passage deadline on April 12, and thus it did not survive.

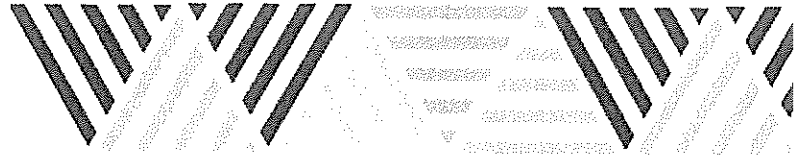
- **Assembly Bill 136**

Under previous law, any contract for a public work whose cost is \$250,000 or more, is subject to the prevailing wage requirements. (NRS 338.075, 338.080) Among other things, this bill lowered the minimum threshold for the applicability of prevailing wage requirements from \$250,000 to \$100,000.

Status: Received a hearing in Assembly Government Affairs on March 8, 2019. Received a Work Session on March 11, 2019 and passed out of committee. Read on Floor a Second Time, referred to Committee on Ways and Means. Heard on April 1, 2019 in Ways and Means. It was voted out of Ways and Means on April 24, 2019. It is still waiting for a vote out of the floor but is exempt from deadlines. It received a hearing on May 6th and a work session on May 15th where it was voted out of committee. On May 20th it was voted out of the Senate floor. It was signed by the Governor on May 28th.

- **Assembly Bill 179**

Existing law prohibited a provision in a contract for a public work that required a contractor to waive a right to damages or an extension of time acquired as a result of a



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delay caused by certain actions by the public body. (NRS 338.480, 338.485) This bill extended this provision to both prime contractors and subcontractors.

This bill also prohibited the waiver of a right to damages or an extension of time acquired that results from an acceleration, disruption or impact event that is unreasonable in length, caused by the public body in certain circumstances or within the control of the public body.

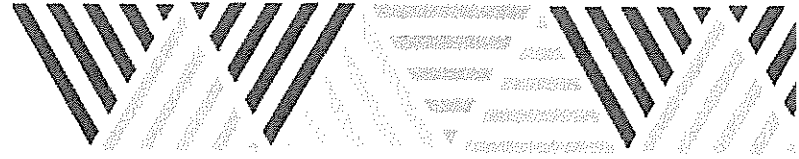
Status: Referred to Assembly Committee on Government Affairs. Heard in Assembly Committee on Government Affairs on April 11, 2019. This bill did not meet the first committee passage deadline and thus did not survive.

- **Assembly Bill 190**

This bill lowered the threshold for applicability of prevailing wage requirements from \$250,000 to \$100,000. Section 5 of this bill also set the requirements pursuant to which a contractor or subcontractor engaged on a public work may discharge any part of his or her obligation to pay prevailing wages to a worker by providing bona fide fringe benefits in the name of the worker.

Existing law prohibits a public body from: (1) requiring or prohibiting a bidder, contractor or subcontractor from entering into or adhering to any agreement with one or more labor organizations in regard to a public work; or (2) discriminating against a bidder, contractor or subcontractor for entering or not entering into any agreement with one or more labor organizations in regard to the public work. Section 31 of this bill eliminated those prohibitions.

Status: Received a hearing in Assembly Government Affairs on March 20, 2019. Amended and passed out of committee on April 5, 2019. It was voted out of the floor, 29-12 on April 23rd. It received a committee hearing on May 13th, then a work session vote on the 15th, where it was voted out unanimously and finally was voted out



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of the Senate Floor on May 20th. It was signed by the Governor on May 25

- **Assembly Bill 240**

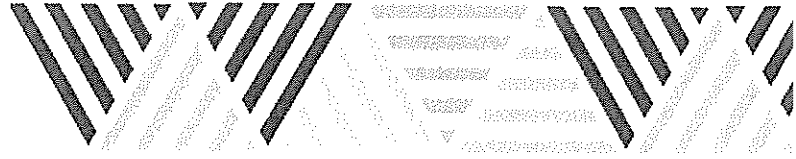
This bill required Carson City, Douglas County, Lyon County, Storey County and Washoe County to each prepare a report at the end of each calendar year between July 1, 2019, and December 31, 2022, that identifies issues relating to and makes recommendations regarding the orderly management of growth in those counties and the region that those counties comprise.

This bill also authorized each such county to consult with and solicit input from other entities in the county in preparing the annual report. This bill also required certain representatives of these counties to: (1) meet jointly at least twice in each calendar year during the period between January 1, 2020, and December 1, 2023, to identify and discuss issues relating to the orderly management of growth in the region, including issues identified in the counties' annual reports; and (2) prepare annual joint reports relating to those meetings for submission to the Legislative Commission.

This bill also required the final annual joint report to comprehensively address all the issues identified and recommendations made by the counties during the period between January 1, 2020, and December 1, 2023, relating to the orderly management of growth in the region.

Status: Received a hearing in Assembly Government Affairs on March 11, 2019. Received a Work Session on March 15, 2019, and passed out of committee. Voted out of the Assembly floor on April 23rd on a 38-3 vote. It received a committee hearing in the Senate on May 10th. It was work sessioned on the 17th where it was voted out and then voted out of the Senate Floor on May 21st. It too was signed by the Governor on May 25th.

- **Assembly Bill 413**



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In order to understand this bill, it is necessary to understand existing law as it stood before this session. Existing law required a governing body of a local government to determine whether a proposed rule is likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business. If so, the governing body or its designee must prepare a small business impact statement which must be considered by the governing body at the meeting immediately preceding the meeting held to adopt the proposed rule.

A business that is aggrieved by a rule may object to all or a part of the rule if: (1) the governing body or its designee failed to prepare a business impact statement; or (2) the business impact statement is inaccurate or incomplete. (NRS 237.080, 237.090, 237.100)

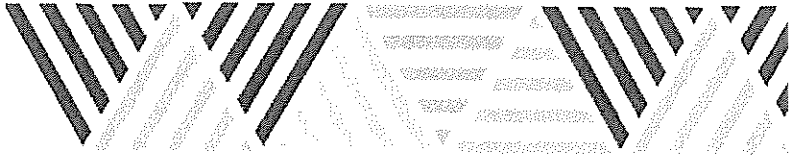
This bill provided that if a governing body fails to consider the business impact statement before taking action to adopt a proposed rule, the action taken by the governing body is void. This bill also authorized a business to file a petition objecting to a rule on the grounds that the governing body of a local government failed to consider the business impact statement before adopting the rule.

Finally, this bill also required the governing body to take action to readopt the rule after the governing body considers the business impact statement.

Status: Referred to Assembly Government Affairs. Heard in committee on April 5, 2019. Amended and passed out of committee on April 11, 2019. It passed the floor on a unanimous vote on April 23rd. It is scheduled to receive a committee hearing today, May 13th. Was voted out of committee on May 17th and voted out of the Senate floor on the 21st. It was signed by the Governor on May 27th.

- **Assembly Bill 486**

This bill created an entirely new division called the Division of Outdoor



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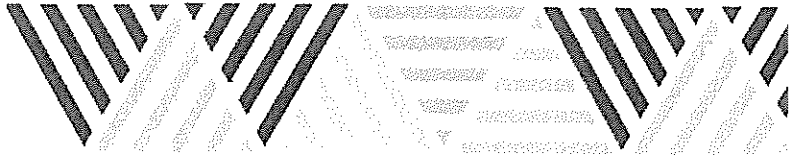
Recreation within the Department of Conservation and Natural Resources. It also lays out the initial staffing and salaries for the division.

Among other things, this newly created division is directed to coordinate all activities relating to marketing and business development for outdoor recreation for the State; coordinate with the Department of Tourism and Cultural Affairs and the Office of Economic Development concerning the promotion and growth of any businesses or opportunities related to outdoor recreation; promote economic development by working with the Office of Economic Development to attract outdoor recreation industries to this State and develop the growth of new business opportunities within this State. In addition to that, the Administrator for Preservation of Natural Resources for Outdoor Recreation shall coordinate: (a) All activities relating to conservation and implementing or interpreting policies regarding natural resources. (b) With the Department, the Department of Wildlife and any other organization, association, group or other entity concerned with matters of conservation and natural resources regarding conservation and the implementation or interpretation of policies regarding natural resources.

Status: Heard in committee on April 4, 2019 and passed out of committee on April 11, 2019. Amended and re-referred to Assembly Ways and Means. Has still not received a vote on the floor but is still alive because it was declared exempt. It received a committee hearing in Assembly Ways and Means on May 23rd. It was voted out of the Assembly Floor on June 3rd. It was delivered to the Governor but as of today it has not yet been signed into law.

- **Senate Bill 10**

This was a bill advocated and presented by the League of Cities that dealt exclusively with General Improvement Districts. Existing law sets the maximum salary a member of a board of trustees of a general improvement district may receive. (NRS 318.085)



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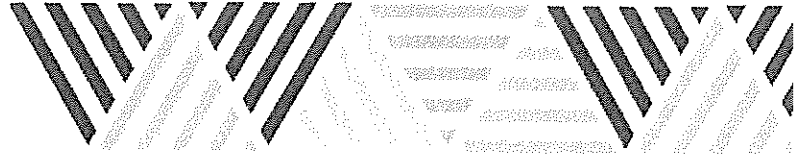
In its original format, this bill increased the amount a member of a board of trustees of a general improvement district may be compensated from \$6,000 to \$9,000. Alternatively for those GID that have certain powers which permits them to currently pay \$9,000, this bill increases the allowable compensation to be \$12,000. Finally, this bill also defined "compensation" as salary or wages to the exclusion of other potential benefits such as medical insurance.

However, the League of Cities agreed to amend the bill in the following manner: It removed the monetary raise and left it at its current levels. The only thing this bill then did was "clarify" that "compensation" did not include any contribution made to PERS on behalf of Trustees. Again, that was the only thing this bill did.

Status: Received a hearing in Senate Government Affairs on February 13, 2019. Received a Work Session on March 1, 2019. Passed out of Committee. Passed out the Senate Floor on an 18-2 vote. Referred to Assembly Government Affairs. It received a hearing on April 19th and a work session on May 17th. It was amended significantly to remove the pay increase and now simply defines the terms "compensation" for the purposes of that existing limit. It was voted out of the Assembly on May 24th and was signed by the Governor on June 1st.

- **Senate Bill 42**

This bill repealed the provisions of chapter 486A of NRS, relating to the use of alternative fuels in certain public fleets of motor vehicles in counties whose population is 100,000 or more (currently only Clark and Washoe Counties). The provisions that are being repealed under certain circumstances are chapter 486A of NRS, which state that the State Environmental Commission is required to adopt regulations regarding: (1) standards and requirements for alternative fuels; (2) specifications for clean vehicles and motor vehicles that use alternative fuels; (3) the acquisition of clean vehicles and motor vehicles that use alternative fuels by certain fleets; (4) standards for emissions from motor vehicles that are converted to alternative fuels; and (5) the establishment of



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a procedure for approving variances or exemptions from certain requirements. (NRS 486A.150)

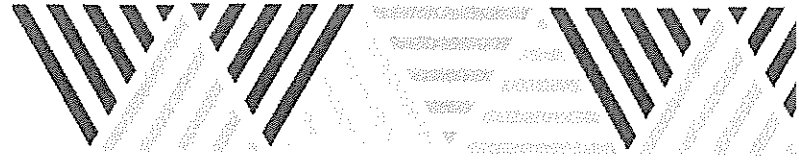
Status: Received a hearing in Senate Growth and Infrastructure on February 7, 2019. Received a Work Session on March 5, 2019 was passed out of Committee, and passed out of the Senate unanimously. Subsequently referred to Assembly Committee on Growth and Infrastructure. It received a committee hearing on April 30th. It received a work session on May 16th and was voted out of the Assembly Floor on May 23rd. It was approved by the Governor on May 29th.

- **Senate Bill 129**

A portion of the impactful sections of this bill included sections 5 and 6 which restate more clearly the existing scope of the statutory ethical standards and their applicability to the conduct of current and former public officers and employees.

Section 6 codified the existing rule of construction that the standards are cumulative and supplement each other and all such standards are enforceable to the extent that they apply to the given set of facts and circumstances. Section 11 of this bill also adds to the statutory ethical standards by prohibiting public officers and employees from using their position or power in government to take any actions or compel a subordinate to take any actions that a reasonable person would find, based on the given set of facts and circumstances, to be a gross or unconscionable abuse of official position or power that undermines the people's faith in the integrity or impartiality of public officers and employees.

Section 35 of this bill revised the contracting prohibition to provide that, with certain exceptions, public officers and employees cannot, directly or through a third party, negotiate, bid on, enter into, perform, modify or renew any government contracts between: (1) the public officers and employees or any business entities in which they have a significant pecuniary interest; and (2) an agency in which they serve or an



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agency that has any connection, relation or affiliation with an agency in which they serve.

Status: Received a hearing in Senate Committee on Legislative Operations and Elections on March 13, 2019. Was amended and passed out of committee on April 12th. Was passed out of committee on April 23rd, and it did so unanimously. It then received a hearing on May 9th, 2019. It was amended and passed on May 16th but never received a vote on the Assembly Floor. Thus this bill died when the session concluded.

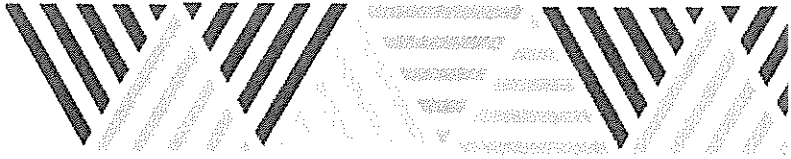
- **Senate Bill 175**

Under existing law, a public body may contract with a design-build team for the design and construction of a discrete public works project if the public body has approved the use of the design-build team and the project has an estimated cost of more than \$5,000,000. Furthermore, within a 12-month period a public body may contract with a design-build team for the design and construction of not more than two discrete public works projects which each have an estimated cost of \$5,000,000 or less.

This bill removed the ability of a public body to contract with a design-build team for the design and construction of **two** discrete public works projects each of which have a cost of \$5M or less. This would not go into effect until July, 2021.

Status: Received a hearing in Senate Government Affairs on February 25, 2019. Received a Work Session on March 1, 2019, and passed out of committee. Was voted out of the Senate Floor unanimously. Subsequently referred to Assembly Government Affairs. It received a committee hearing on May 8th. It was amended and passed on May 16th. It was voted out of the Assembly Floor on May 24th and was subsequently approved by the Governor on June 1st.

- **Senate Bill 183**



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This bill dealt with the Open Meeting Law, which sets forth the minimum public notice required of a meeting of a public body including the posting of an agenda. Existing law also specifies certain information that must be included on an agenda. (NRS 244.020)

Among other things, this bill required that if the agenda is revised in any way after it is posted, provided or delivered, the agenda must clearly indicate that the agenda has been revised, what such revisions are and the date that the agenda was revised.

Status: Received a hearing in Senate Government Affairs on February 25, 2019. Received a Work Session on March 20, 2019, and passed out of committee. Declared Exempt and referred to Senate Finance Committee. It was never voted out of any house and thus this bill died when the session concluded.

Senate Bill 251

This bill may not directly affect IVGID because it begins by referencing existing law concerning cities and counties. We are including it here out of an abundance of caution.

Existing law authorizes the governing bodies of cities and counties to regulate and restrict the improvement of land and to control the location and soundness of structures. (NRS 278.020) This bill imposed various requirements on the conversion of land used as a residential golf course to any other use. Among other things, this bill defined the term “residential golf course” to mean certain land used for golfing or golfing practice that is located within 2,000 feet of a lot or parcel of land used for residential purposes. Section 3 of this bill required an owner of a residential golf course who wishes to convert the land to any other use to provide notice to certain owners of surrounding land and hold two neighborhood meetings.



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Status: Heard in committee on April 5th, passed out of committee on April 11, 2019. Was voted out of the Senate floor unanimously on April 22, 2019. It received a hearing on April 30th but never received a vote. It died when the session concluded.

- **Senate Bill 287**

This was the big public records bill that received a lot of media attention especially over the final 10 days of session. This bill applies to all state and local governmental entities. As introduced, this bill broadened the definition of a “public record.” It also eliminated the authority of a governmental entity to charge an additional fee for providing a copy of a public record when extraordinary use of personnel or resources is required. Furthermore, it required a governmental entity under certain circumstances to assist the requester to focus the request in such a manner as to maximize the likelihood the requester finds what they are looking for.

It authorized a requester of a public record to apply to a district court for an order if a request for inspection, copying or copies of a public record is unreasonably delayed. Additionally it provided that if the requester prevails in a proceeding involving an unreasonable delay they are entitled to costs, reasonable attorney’s fees an \$100 per day for each day they were denied the right to inspect, copy or receive a copy of the public record AND that they may be entitled to recover a civil penalty if a governmental entity or the person who is responsible for making decisions on behalf of the governmental entity relating to the public record request fails to comply with the existing law governing public records.

This bill received a hearing in Senate Finance on May 31st and was amended and passed. It was further amended during its hearing on June 3rd in Assembly Government Affairs where it was also passed. It was voted out of the floor of the Senate on June 2nd and voted out of the Assembly, with the amendments, on June 3rd. It has been sent to the Governor’s Office where it has not yet been signed.

After the two amendments, the enrolled version of this bill differed in some



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important ways from the bill as it was introduced. First, it includes the word “willfully” to those who failed to comply with the public records request. Secondly, it eliminated the expanded definition of what a public record is. Finally, it also removed the section that applied any financial penalty or fee on the individual responsible for maintaining the records or responsible for answering a public records request.

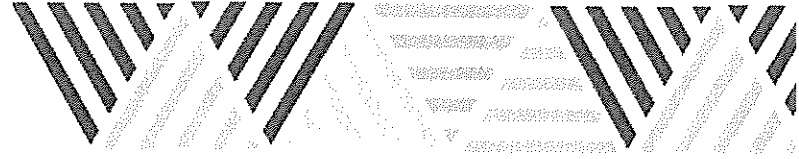
Status: Referred to Committee on Government Affairs. Was heard on April 3rd in Senate Government Affairs. Referred to Government Finance and declared exempt. It received a hearing in Senate Finance on May 31st and was amended and passed. It was further amended during its hearing on June 3rd in Assembly Government Affairs where it was also passed. It was voted out of the floor of the Senate on June 2nd and voted out of the Assembly, with the amendments, on June 3rd. It has been sent to the Governor’s Office where it has not yet been signed.

- **Senate Bill 433**

This bill granted law enforcement officers of the States of California or Nevada concurrent jurisdiction to arrest offenders for certain prohibited conduct on any land mass within 10 miles of Lake Tahoe or Topaz Lake.

This bill also provided that certain claims brought against officers or employees of the States of California or Nevada or an agency or political subdivision thereof are subject to the conditions and limitations on civil actions established by the state of that officer or employee.

Status: Referred to Senate Judiciary. Heard on April 8th, passed out of committee on April 11, 2019. Was voted out of the Senate floor on April 22nd on a unanimous vote. It received a hearing on May 7th and a work session the very next day, May 8th where it was passed out of committee. It then received a vote on the Assembly floor on May 10th where it passed unanimously. It has also now been signed



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by the Governor.