

Date: August 2009
Publication: Nevada Business Journal
Featured Attorney(s): Jesse Wadhams

Inside Politics | Legislative Re-Cap



Legislative Re-Cap

Budget woes front and center

In the 2009 Legislature, there was considerable discussion regarding a host of major policy changes. From the most major revisions to workers compensation since privatization to mandating autism insurance coverage for private paying businesses to revamping the energy office and promoting "green" jobs initiatives, the potential of the 2009 Legislative Session was surprising in its scope and breadth.

However, after the economic forum meeting on May 1, 2009, which determined that the state needed nearly a billion dollars to just reach the Governor's proposed budget, many of the sweeping policy discussions fell from the table by the June 1st Sine Die. Focus turned in earnest following the economic forum to the revenue and spending components of the state budget. Many of the

various taxes and spending went into effect on July 1, 2009 and are sure to be discussed much in the remainder of this biennium.

One of the major discussions of the recent session was initiative petitions, and the role of the legislature. There were various bills which attempted to provide the playing field by which the proponents may offer petitions, such as where signatures are gathered to the methodology for determining the single subject of the matter. Additionally, there were two bills that would have determined the fate of the Nevada Clean Indoor Air Act (NCIAA) and the Keep Our Doctors In Nevada (KODIN) initiatives; Senate Bill 372 and Assembly Bill 495 respectively.

There was a significant amount of publicity regarding both these bills and their effect on the initiative process.

The Assembly passed AB 495 on a largely party line vote. The Senate took no action on the matter, leaving in place for now the voter enacted measure.

Additionally, the Senate passed the modification to the NCIAA. The Assembly Judiciary Committee heard hours of testimony, and disagreed that the time had come to modify the voter initiative.

The Legislature also took up a domestic partner benefits issue and a bill to prohibit discrimination based upon sexual identity in public accommodations. While both eventually passed to become law, it was only over a widely reported veto by Governor Gibbons.

In response to the economic recession and severe declines in state revenue, the Legislature also passed a program of taxes such as raising the sales tax, business license fees and increasing the Modified Business Tax on business payrolls over \$250,000. In the end, the Legislature raised revenue of just under \$800 million to fill the budget shortfall not remedied by the federal stimulus money. Additionally, while state employees originally faced potential pay cuts of upwards of 6 percent in the Governor's proposed budget, the Legislature opted to create a furlough program for employees and effectively cutting state payroll per person approximately 4 percent.

A major push to modify construction defect lawsuits passed through the Senate, but died without a hearing in the Assembly. Additionally, the Legislature passed through a sweeping overhaul of the state's energy policy in order to promote "green" energy sources and attempt to curb greenhouse gas emissions. A bill to address Nevada's foreclosure problem also passed through the houses to become law. The bill mandates that lenders offer mediation to homeowners in order to modify the mortgage on the home.

Jesse Wadhams is an associate with Jones Vargas.

Make babies your business

With the click of a button, you can help lower your health care costs. March of Dimes Healthy Babies Healthy Business is a free multidimensional educational worksite wellness program that helps moms have full-term pregnancies and healthy babies. A small investment in time could save your company thousands of dollars.

702.732.9255

march of dimes

For more information, visit marchofdimes.com/hbhb