

2025 General Legislative Report

The 83rd Nevada Legislative Session concluded at midnight on June 2nd, 2025, after a chaotic final push to pass legislation and an unprecedented "filibuster" in the State Senate. Though nearly 600 bills had advanced past the second committee deadline on May 16th, the final hours were marked by intense policy negotiations, sweeping last-minute amendments, and a rush to get the two houses to concur on amendments so bills could be delivered to the Governor. Over 160 bills remained stuck in the Ways and Means and Finance committees and died without a vote. A surprise resolution on the balance of power on the Legislative Commission led to a filibuster by Senator Ira Hansen that froze proceedings in both chambers, ultimately killing major bills, including some of the governor's priorities. The last day for the governor to take action on passed bills was June 13th. He finished on June 12th having signed 518 bills and vetoed a record 87 pieces of legislation.

The Nevada Independent is the best source of political news in the state, especially during the legislative session. Their <u>legislative tracker</u> serves as a helpful resource for monitoring the major policy bills that survived, and they even underscored the <u>many proposals that died</u> in the procedural breakdown. We encourage everyone to visit <u>https://thenevadaindependent.com/</u> for ongoing, comprehensive political coverage in Nevada.

During and immediately after the session, bills that pass both legislative chambers are enrolled and sent to Governor Joe Lombardo for signature or veto. The Governor has 5 days during session or 10 days (excluding Sundays) immediately following the session to act on a bill once it has been delivered to his office. If no action is taken within that timeframe, the bill becomes law automatically. We know from experience that Governor Lombardo takes action to sign or veto bills rather than simply let them pass into law. We also know he is an active participant, a check and balance, in this legislative process, with a record number of 75 vetoes in the 2023 session and 87 total this session.

From the Legislative Branch

During each session, Legislators, state and local government entities, boards, and commissions are allotted a limited number of Bill Draft Requests (BDRs), and this year, over 1,200 BDRs were submitted, representing both policy and budget proposals, each with the potential to become law.

Key policy themes emerged this session. Some of the bills that addressed these are listed below, however not all of these passed but were major topics of conversation:

1. Artificial Intelligence

- a. <u>AB406</u>: AI in behavioral health and in schools pass
- b. <u>SB186</u>: AI in medical facilities fail
- c. <u>SB199</u>: Registration of AI systems fail

2. Energy Regulation and Expansion

- a. AB70: tax abatements for renewable energy facilities pass
- b. <u>AB452</u>: refunding of utility overcharges pass
- c. <u>SB132</u>: Clean Energy Fund pass
- d. <u>SB417</u>: rate-making plans pass
- e. <u>SB461</u>: Governor's Economic Development Bill fail

3. Modernization of Nevada's business and tax regulations

- a. <u>AB453</u>: Digital Goods Tax fail
- b. <u>SB240</u>: Business Licensing First Time Discount fail
- c. <u>SB487</u>: Funds to Modernize Licensing/Silverflume pass
- d. AJR1: Property Tax Changes fail

4. Expanding healthcare access and protections

- a. <u>AB462</u>: Prior authorization pass
- b. <u>AB555</u>: Cap on insulin pass
- c. <u>SB128</u>: AI in healthcare fail
- d. <u>SB171</u>: Transgender shielding law fail
- e. <u>SB217</u>: IVF fail

5. Improving access to fire insurance

a. <u>AB376</u>: Sandbox Fire Insurance - pass

6. Education reform

- a. <u>AB584</u>: Nevada Accountability in Education Act fail (amended into SB460)
- b. <u>SB400</u>: IEPs transfer with students pass
- c. <u>SB403</u>: Commission on School Funding Recommendations fail
- d. <u>SB460</u>: EDUCATE Act, Efficiency, Accountability & Teacher Staffing and Pipeline Support - pass

7. Enhancing government efficiency

- a. AB601, SB78: Boards and Commissions Bills with B&I fail
- b. <u>SB494</u>: Creates the Nevada Health Authority pass

8. Expansion of tenant rights and eviction policies

- a. <u>AB223</u>: Habitability of rental property fail (veto)
- b. <u>AB283</u>: Eviction process reform fail (veto)
- c. <u>AB475</u>: Eviction diversion programs pass

d. <u>SB283</u>: Eviction diversion reform – fail (moved into another bill)

9. Election Reform

- a. <u>AB499</u>: Voter IDs fail
- b. <u>AB597</u>: Nonpartisan voting in primaries fail

10. Balancing business-friendly policies with strong workplace and consumer protections

- a. <u>AB44</u>: Price manipulation fail
- b. <u>AB112</u>: Expanding sick leave fail
- c. <u>AB388</u>: Paid family leave fail
- d. <u>SB49</u>: Consumer protection pass
- e. <u>SB260</u>: Air quality worker protections pass
- f. <u>SB198</u>: Wage payment and penalties fail
- g. <u>SB442</u>: Utility termination reporting requirements pass

This session took on a unique tone, shaped by looming national uncertainty, including the potential dissolution of federal departments like the Department of Education, and proposed federal budget cuts that could reduce funding for programs like Medicaid. Such changes would trigger major shortfalls or force significant shifts in Nevada's General Fund appropriations. With the state heavily reliant on federal funds for education and healthcare, and its own revenues tied closely to sales, room, property, mining and gaming taxes, Nevada's budget remains particularly vulnerable, especially when tourism declines. Nonetheless, passage of the five constitutionally mandated budget bills during the regular session avoided the immediate need for a special session. Going forward, Governor Lombardo may need to call a Special Legislative Session to make fiscal and policy adjustments to maintain program stability if the economy declines or as federal actions unfold.

From the Executive Branch

Governor Lombardo entered the Legislative Session with a clear set of priorities, outlined in his State of the State address. He introduced five key policy initiatives, focused on:

- AB584 Education reform and accountability
 - Died but was partially amended into SB460 which passed and became law.
- <u>SB461</u> Economic development and workforce readiness
 - Did not pass.
- <u>SB453</u> Public safety and criminal justice ("Safe Streets")
 - Did not pass.
- <u>AB540</u> Affordable housing
 - Passed and became law.
- <u>SB494</u>, <u>SB495</u> Healthcare access and modernization
 - o 494 passed and became law.
 - o **495 did not pass.**

Several of these proposals were directly tied to his budget strategy, particularly education and healthcare reform. However, the rollout of Governor Lombardo's policy bills experienced delays, with three of his five major proposals arriving late in the session. Notably, only his housing bill, the Nevada Health Authority bill, and a compromise with Senator Cannizzaro on her Education bill, SB460 passed.

Governor Lombardo succeeded in getting AB540, the centerpiece of his affordable housing strategy passed. The bill creates a new framework for incentivizing private-sector development by offering property and sales tax abatements to qualifying projects, particularly in areas experiencing housing shortages. AB540 also includes provisions to streamline approval processes and encourage quicker timelines. It ultimately passed with bipartisan support.

Vetoes

Governor Lombardo vetoed **87 bills**, breaking his record of 75 vetoes from the previous session. While some vetoes were anticipated, others, especially those concerning housing and healthcare, were not. Read more about the vetoes <u>here</u>.

Vetoes this session have primarily targeted the following areas:

- Expansion of labor protections or wage mandates
- Environmental regulations
- Affordable housing and HOA proposals
- Healthcare and insurance-related measures seeking to increase costs or limit patient choice

Among the most notable vetoes were:

- <u>SB89</u>: barred firearm possession for individuals convicted of misdemeanor hate crimes.
 - Why: violation of Second Amendment rights.
- <u>SB99</u>: allowed local governments to impose fees on new private developments to fund affordable housing
 - Why: would increase development costs, slow down production, and worsen housing shortages.
- <u>SB171</u>: gender-affirming care
 - Why: legal ambiguities, conflicts with federal law, and uncertainty over enforcement.
- <u>SB182</u>: Nurse Staffing Ratios
 - Why: Believed it would worsen healthcare access and costs
- <u>SB217</u>: Senate Majority's IVF bill
 - Why: Overly broad, could lead to legal, budget and insurance-market problems.

- <u>SB303</u>: Eliminating Recreational Immunity Applications
 - Why: Overly narrowed immunity protections; could discourage landowners and nonprofits from offering public access due to liability uncertainty.
- SB305: Lacrosse and NIAA regulations
 - Why: Last-minute amendment added a "politically charged" legislative subcommittee on Title IX compliance and state sovereignty concerns.
- <u>AB44</u>: Price Fixing Ban
 - Why: a "striking case of government overreach," and vague language.
- <u>AB259</u>: introduced reference-price caps on prescription drugs.
 - Why: risks to pharmacies, market disruption, and insufficient guardrails to protect patient access.
- AB185: Childcare facilities in HOAs
 - Why: would "undermine the will of Nevada's voters" pointing to past ballot rejections.
- AB388: Paid Family Leave
 - Why: high compliance costs and potential economic impacts.
- <u>AB434</u>: Prohibits employer retaliation based on employee objection to attending personal ideological events for employers
 - Why: "overreaches in a way that threatens free speech, creates legal uncertainty, and imposes new burdens on employers without clear benefit."
- <u>AB499</u>: Election ID Laws by Speaker Yeager
 - Why: failure to secure mail-in ballots equally
- <u>AB585</u>: Reduces the Number of Bill Draft Requests
 - Why: concerns that its tightened deadlines would restrict the executive branch's ability to develop and submit thoughtful policy proposals.
- <u>AB597</u>: Nonpartisan voters can participate in primary elections
 - Why: Lombardo referred to the ballot question, saying that "voters decisively rejected the idea of allowing non-affiliated individuals to participate in partisan primaries."

Thank you, The Tom Clark Solutions Team

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