MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GROWTH AND INFRASTRUCTURE

Eighty-Third Session
March 6, 2025

The Committee on Growth and Infrastructure was called to order by Chair Howard Watts at 1:30 p.m. on Thursday, March 6, 2025, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 3 of the Nevada Legislature Hearing Rooms, 7120 Amigo Street, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/83rd2025.

COMMITTEE MEMBERS PRESENT:

Assemblymember Howard Watts, Chair
Assemblymember Max E. Carter II, Vice Chair
Assemblymember Shea M. Backus
Assemblymember Tracy Brown-May
Assemblymember Jill Dickman
Assemblymember Danielle Gallant
Assemblymember Bert K. Gurr
Assemblymember Venise Karris
Assemblymember Cinthia Zermeño Moore
Assemblymember Duy Nguyen
Assemblymember Toby Yurek

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblymember Daniele Monroe-Moreno, Assembly District No. 1

STAFF MEMBERS PRESENT:

Keely Latham, Committee Policy Analyst
Jessica Dummer, Committee Counsel
Cindy Glass, Committee Manager

Maria Benamati, Committee Secretary
Lori McCleary, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Trevor Parrish, Manager, Government Affairs, Vegas Chamber
Sean Sever, Deputy Administrator, Division of Research and Project Management, Department of Motor Vehicles
Garrett Weir, General Counsel, Public Utilities Commission of Nevada
Tony F. Sanchez III, Executive Vice President, Business Development and External Relations, NV Energy
Dylan Keith, Senior Manager, Public Affairs, Southwest Gas Corporation
Lucas Foletta, representing Boyd Gaming Corporation; The Venetian Las Vegas; and Station Casinos LLC
Ernest Figueroa, Consumer Advocate, Bureau of Consumer Protection, Office of the Attorney General
Kim Fergus, Private Citizen
Jimmy Lau, representing Western Resource Advocates

Chair Watts:
[Roll was taken. Committee rules and protocols were explained.] We want to welcome everyone joining us today both here in Carson City as well as in Las Vegas and anyone who is joining us remotely. We have two bills on our agenda to be heard today. We are going to take them out of order; we will hear Assembly Bill 117 followed by Assembly Bill 46.

With that I will open the hearing on Assembly Bill 117, which revises provisions relating to special license plates. Welcome back to the Committee on Growth and Infrastructure, Assemblymember Monroe-Moreno. Whenever you are ready, please begin.

Assembly Bill 117: Revises provisions relating to special license plates. (BDR 43-48)

Assemblymember Tracy Brown-May, Assembly District No. 42:
My distinguished colleague, Assemblymember Daniele Monroe-Moreno, and I are happy to be here to copresent this measure. We would like to officially thank you for taking the time to hear this measure today. We are honored to have with us, although they are not going to take the microphone and testify, it is important that we call out the owner of the Las Vegas Aces and the Las Vegas Raiders, Mr. Mark Davis, who is with us in the house; Mr. Larry Delsen, the Las Vegas Aces CEO; Ms. Jennifer Azzi, a former WNBA (Women's National Basketball Association) player and Olympic gold medalist now working on business development with the Las Vegas Aces; Ms. Jane'e Murphy, who is the Aces Foundation executive director; and of course our team mascot BUCKET$. As you can see, we have assembled an all-star team to come and present this wonderful bill.

Assemblymember Daniele Monroe-Moreno, Assembly District No. 1:
Thank you, Chair, it is so nice to be back in Growth and Infrastructure, the Committee that I once chaired. I said that I would do no more license plate bills—I am going to tell you all never say never in this building, because you never know what is going to happen. Before we summarize the bill, I would like to provide you with just a brief background about the Aces. The Aces played their first season in Las Vegas back in 2018. They have made it to the playoffs for the past six seasons and won the WNBA championship back-to-back. I am going to say that again, back-to-back in 2022 and 2023. They also brought a Commissioner's Cup trophy to Las Vegas in 2022, and the championship win included a charitable donation from the league to the ACLU (American Civil Liberties Union) of Nevada.

The Las Vegas Aces are deeply committed to making a positive impact in their community through various charitable events and donations. Their initiatives focus on education, health and wellness, and youth participation in sports. The Aces have organized numerous events such as the Slam Dunk Health Challenge, which encourages kids to engage in physical activities and healthy eating. They also participate in toy drives where they donate basketballs, bicycles, and other toys to local charities. Additionally, the Aces have been involved in relief efforts such as collecting and delivering donations for fire relief in Southern California. Through programs like the Lace Up Mentorship Program, they provide mentorship to local youth and workshops covering topics such as recruiting financial literacy, professional growth, and college preparation. The Aces brought in almost $18 million in revenue in 2023 and led the WNBA in valuation in 2024 at $140 million. During the 2023 season, the Aces led the league in attendance per game at an average of over 9,500 fans per game. If you have not been to a game, you gotta go—you gotta go. In 2024, the Las Vegas Aces made history by becoming the first WNBA team to sell out their season ticket packages for the entire season.

Like I said, I once chaired this Committee, and one of the duties of chairing this Committee was also chairing the Interim Committee on Special License Plates [*sic*]. Hopefully Mr. Davis will not remember that when the Raiders came for their plate, I kind of gave him a hard time about the Raiders plate. He has proven me wrong; he has been an amazing partner in our community in Las Vegas and for the state. In doing that, he has put together an amazing team of Nevada leaders, a lot of them women, and women of color, from Nevada. I would be remiss if I did not also say thank you to two ladies who are not here today, who talked me into making sure we had a plate for the Aces. They started this conversation a few years ago, and that would be the Raiders president, Sandra Douglass Morgan, and the senior vice president of government and community relations, Ms. Piper Overstreet-White. It is because of their getting the conversation started that this team behind us was able to bring this to fruition. Mr. Davis, thank you for making me wrong and thank you for your commitment to our state. With that, we will walk you through the bill.

Assemblymember Brown-May:
As you can see, supporting the Aces Foundation, helping fans to show off their team support is just one way that we can support the team. We do have mock-ups that we are happy to share with you that the team has been working on. We did not distribute them because they

are in draft form. To give you an idea, we are wearing our team colors today. The license plate is projected to be in the team colors, although we will work through the double letter stack when we get there.

The bill provisions are found in your bill: Section 1, subsection 1 requires the Department of Motor Vehicles (DMV) to work in cooperation with the Las Vegas Aces to design and issue the special license plate supporting the Las Vegas Aces. Subsections 2 through 5 discuss the fees associated with the plates, including a $35 fee for initial issuance and $10 fee for renewal, which is typically found at the DMV—all applicable registration and license fees and taxes, so it is a standard plate that you would get issued. There is an additional $25 fee for initial issuance and $20 for renewal, which goes to the Las Vegas Aces Foundation for programs and activities supporting health and fitness, disadvantaged children and families, education, and women's sports—the mission of the Aces Foundation. That is very standard for all of our special-issue license plates. The extra fee is voluntary when you decide to purchase that plate and every time you renew, it goes to support the foundation.

Subsection 6 exempts the Las Vegas Aces license plate from statutes requiring a minimum number of plates before they go into production; that is what allows the DMV to create the special license plate. Subsection 8 of section 1 allows the DMV to accept gifts, grants, donations, or other funding for the plate's production and issuance, so you can offset that if there is a gift or a grant. Sections 6 through 8 exempt the Las Vegas Aces special license plates from provisions that require the plates to limit the number of separate designs—we have that in statute currently, that only a certain number of designs is allowed—and then receives a certain number of applications before the DMV creates them. We will be able to put them into production right away. Sections 2, 4, 5, and 10 make conforming changes for the provisions in this bill to align the Las Vegas Aces special plate with certain existing requirements and definitions.

Section 3 eliminates the prohibition against a new vehicle dealer accepting an application for a motor vehicle registration if the applicant wishes to obtain a special license plate. In so doing, the new vehicle dealer may accept an application for registration from applicants, making it easier for buyers of a new vehicle to obtain a plate. That does not exist currently. In reading the language for this bill and the special license plate, which we have done on several occasions—this is not our first special license plate—the entire bill is very standard except for this provision. In reading this section, yet again this session, we identified that there is a barrier for new dealers who may work with the DMV at some point to issue license plates. Rather than wait for the need to arise, we figured it would be good to eliminate the barrier to that currently. As the DMV continues to pilot new programs with dealers to issue plates or registrations, this would allow them the opportunity to issue a special license plate, if they chose to do it. It eliminates the barrier in the future. I would like to thank you for the opportunity to present this bill today. We are happy to answer questions.

Chair Watts:
Thank you very much for the presentation. It was great to hear from you two back-to-back. Members, any questions for our presenters?

Assemblymember Nguyen:
I really appreciate what Assemblymember Monroe-Moreno said about our amazing leaders in the community, like Sandra Douglass Morgan and of course her counterpart, Piper Overstreet [*sic*], who are amazing community connectors and do so much. I am so glad they are a part of this legacy. One of those newbie questions, since I am new in this Committee, how did we arrive at $35? Do we think that is a good number? Should we go higher?

Assemblymember Brown-May:
The $35 is already existing in statute. We tried to not reinvent the wheel, and we wanted to stay very standardized and not do anything out of the ordinary. That is already existing, it is what the DMV currently requires.

Assemblymember Monroe-Moreno:
The money does go to the Foundation, so you are always welcome to make contributions to the Foundation.

Assemblymember Nguyen:
I just learned something new. I did not know I can do that, so thank you.

Chair Watts:
Yes, next season, get in on that raffle.

Assemblymember Carter:
You said you were not reinventing the wheel, but we just heard a whole lot of exemptions from existing statute that seems like we are recreating the wheel.

Assemblymember Brown-May:
I appreciate that comment. There are a number of specialty plates that have already been issued here in Nevada. There are two pathways to creating a specialty license plate; one gives the DMV the authority to do it and to be able to go through a process. That was what Assemblymember Monroe-Moreno previously turned back over to the DMV to have the authority to do that. There are also a number of specialty license plates—and I could just talk to you about the Opportunity Village license plate, which was the last plate that I had the pleasure of presenting to this Committee on Growth and Infrastructure before becoming a member of this body. It is standardized language and has been done on numerous occasions. The way the DMV does it, you have to go through the process and get preapproval and then wait until you have 2,000 applications before you can issue a plate. It limits the number of plates that the state allows through that process. By creating a bill, we were recommended to do that by the DMV so that we could get this bill up and running, because it is believed to bring a great deal of support into the Foundation. At every plate issuance, $25 goes to the Foundation. If you have only 2,500 plates on the road, that is $50,000 a year in support of the Aces Foundation. The fans would then have the opportunity to do that. There are two pathways; one is this pathway which requires those exemptions so that we can get the plate into production right away, and the other is through the DMV's process.

Chair Watts:
Members, any additional questions? Seeing none, thank you very much for the presentation. We will now move to testimony in support of Assembly Bill 117. If anyone would like to provide testimony in support, either here in Carson City or in Las Vegas, please come forward. Welcome, please go ahead.

Trevor Parrish, Manager, Government Affairs, Vegas Chamber:
The Vegas Chamber (Chamber) is in support of Assembly Bill 117, which creates the Las Vegas Aces license plate. As Las Vegas continues to grow as the entertainment capital of the world, so too are we quickly becoming the sports capital of the world. With this new license plate design, fans of our back-to-back champions will be able to help contribute to the Aces Foundation, which works to support health and fitness for disadvantaged children and families, as well as supporting education and women's sports. The Chamber thanks the bill sponsors for bringing this forward and we thank you for your time and consideration of this measure.

Chair Watts:
Seeing no one else coming forward in Carson City or in Las Vegas, we will move to the phones. A couple quick things. If you are calling in by phone, please be sure to state and spell your name for the record before making your comments. With that, is there anyone wishing to provide testimony in support of A.B. 117 by phone? [There was no one.]

Is there anyone in Carson City or Las Vegas wishing to provide testimony in opposition to Assembly Bill 117? [There was no one.] Is there anyone wishing to provide testimony in opposition to A.B. 117 by phone? [There was no one.] Finally, we will move to testimony in neutral on A.B. 117.

Sean Sever, Deputy Administrator, Division of Research and Project Management, Department of Motor Vehicles:
We are neutral on A.B. 117. We do appreciate the sponsors reaching out to us—or you could say huddling up with us before the game today. Mark this down again, Chair, we do have a zero-impact fiscal note on this bill, and we are happy to work with the Aces on this license plate if this bill passes.

Chair Watts:
Thank you and as far as the fiscal notes go, keep it up. Seeing nobody else coming forward in neutral either here in Carson City or down in Las Vegas, is there anyone wishing to provide testimony in neutral by phone? [There was no one.] Would our presenters like to make any closing comments?

Assemblymember Monroe-Moreno:
We want to say thank you so much for giving us the opportunity to present this bill. If you have not been to an Aces game, I encourage you to grab your family, grab your friends, go to a game—the atmosphere is infectious, and you will be hooked for life. As the Chair of the

Committee on Ways and Means, I must say I love the fact that the DMV had a zero fiscal note. Thank you, and we hope to earn your support for this bill.

Chair Watts:
With that we will close the hearing on Assembly Bill 117, and we will open the hearing on Assembly Bill 46, which revises provisions relating to privileges applicable to information obtained from records and other property of public utilities and certain other entities.

Assembly Bill 46: Revises provisions relating to privileges applicable to information obtained from records and other property of public utilities and certain other entities. (BDR 58-310)

Garrett Weir, General Counsel, Public Utilities Commission of Nevada:
I appreciate the opportunity to present Assembly Bill 46. This is a bill that is essentially designed to preserve the privileged status of any privileged information that is shared with the Commission or its Regulatory Operations Staff within the context of a utility regulatory process. Our Regulatory Operations Staff in particular, which intervenes in contested cases and has broad investigatory powers in regulating utilities, has encountered some concern on the part of utilities when it comes to sharing information that is privileged, whether it is a trade secret, or other types of privileged status as outlined in law. To facilitate the sharing of that information and to alleviate that concern, we are proposing to very explicitly provide that that status is preserved when shared in this particular way.

It is important to explain that when information is shared pursuant to the regulatory process for the Commission, this occurs confidentially. When the information is provided, it is not being publicly disclosed where the public can access it, it is being shared generally pursuant to protective agreements if it is other parties to the case. But also, when it is shared with the Commission itself, there are statutory and regulatory duties that require that confidential treatment, and it is taken seriously. So that is an important distinction to make here. Even when the information is shared, it is not made publicly available; it remains confidential.

Another point to make about what is being proposed in this bill is that there is no intent here to expand or restrict any existing authority that the Commission and its staff has to access privileged, confidential information—records of utilities. That is not what this bill is doing. It is simply addressing the status of information once shared, to preserve its privileged nature. Rather than go through the bill as initially drafted, which again, I have explained what the intent is there—we have been working closely with Southwest Gas Corporation and NV Energy in particular on a conceptual amendment [Exhibit C], which you will hear about shortly. The Commission is comfortable and our Regulatory Operations Staff is comfortable that we have a meeting of the minds on what we are trying to achieve here. There may be some further edits necessary to the amendment language before you, but ultimately, we are confident that we will reach a place where there is consensus, at least with the Commission and those utilities. With that, I am happy to answer any questions about the bill or I can remain up here, maybe when the conceptual amendment is presented, and be available to answer questions at that point.

Chair Watts:
Thank you, Mr. Weir. I think we will have those bringing forward the amendment discuss it, and we will take questions at that time. I believe we have a question from Assemblymember Backus.

Assemblymember Backus:
Thank you for laying out your intent, and I appreciate that you guys also do work under protective orders. When I look at subparagraph 6 [*sic*], it seems kind of clear to me, but I want to make sure, and I think you made it clear for the record, that obviously everyone is entitled to a privilege under *Nevada Revised Statutes* (NRS) Chapter 49, whether it is attorney-client—and we have other statutes that govern trademark protections. In such situations, if a body wanted to release that information to you, especially with attorney-client privilege communications, I take it that this provision right here provides that there would be no waiver of that privilege. Is that what I am understanding your intent behind this bill is?

Garrett Weir:
Yes, the intent here is for it to not be a waiver of the privilege or for that to be otherwise affected. With regard to the right to assert a privilege, which is an area of dispute which frankly is the reason that some of these discussions have occurred with this bill, the existing law contemplates the Commission and its Regulatory Operations Staff having access to all books and records of a utility, with particular exceptions identified. There is a subsection that references personnel records, those sorts of things. There are certainly constitutional protections, I think, in the context of litigation where you would not want a party's attorney-client communications related to strategy, that sort of thing should not be able to be revealed to other participants in the process. That seems reasonable. But the way the language exists now, there is broad authority—in my opinion—enabling the Commission and the Regulatory Operations Staff to have access to things that are privileged and for the utilities to have an obligation to provide information in certain circumstances as regulated entities.

Assemblymember Backus:
I may have really misunderstood that when I was reading this because when I think about—so there are two things, there is work product that would be a litigation subject to the *Nevada Rules of Civil Procedure* for work product aspects. But when I think about absolute privileges, I think of NRS Chapter 49, where you have doctor-patient, you have attorney-client, and those are communications. I know there becomes challenges when you have in-house counsel—I am not talking about that, let us just keep it as simple as one of our utilities—this is applicable to the two different types: new electricity, it seems like, and gas service. If a company was communicating with outside counsel, to me that seems like NRS Chapter 49 would provide an absolute privilege of that communication.

When I was looking at these provisions, I was taking it like, Oh, but maybe there was a communication where a lawyer wrote back to their client providing detailed advice regarding some provision under Chapter 703 and they wanted to share that information with you, but they did not necessarily want to share their entire file leading up to that ultimate

communication. Therefore, maybe that would come over to Public Utilities Commission of Nevada (PUCN), with subject to this provision, it would be protected so that they would not have to open up that attorney-client privilege. It sounds like that is not what this does.

Garrett Weir:
It does that in certain instances. For example, a utility seeking cost recovery of legal fees, if they wanted to maintain the privileged status of attorney-client communications related to the scope of the work performed—the billing, that sort of thing—the Commission and parties to the Commission's proceedings would probably want to be able to scrutinize to determine whether those costs should be recovered through rates charged to customers. That is the sort of thing where if they wanted to provide that information, they would be able to support their recovery of those costs without that privilege being lost. There is, again, the implications of the language that I was talking about more broadly, that the powers of the Commission to review even privileged materials—there are going to be times, and in practice this is how it has been playing out, when there is a dispute among parties to a contested proceeding, in discovery in these cases; ultimately the Commission or the presiding officer, usually the commissioner, will resolve those disputes by actually gaining access to the material for which a privileged claim is made to determine whether it is in fact privileged or should be protected from disclosure to other parties, even pursuant to a protective agreement.

Assemblymember Backus:
I look at exceptions under NRS 49.115 that provides when there is no privilege under the attorney-client privilege—I am obviously not familiar with the subsection under the chapters that govern the PUCN. Is there another provision that basically provides that the PUCN is entitled to attorney-client communications and this provision—or maybe NRS Chapter 49, does not apply? I am a little confused by that and I am not familiar, and I would love some more information on that.

Garrett Weir:
Yes, it would be helpful if the bill actually contained that provision, but we are not seeking to change that. It is the section that appears immediately before where this bill begins, and it would be NRS 703.195, and it provides—I can read that section—"Except as otherwise provided in subsection 2,"—so except as provided in subsection 2—"any Commissioner, any officer or employee of the Commission who is designated by the Commission, or any other officer or employee of an affected governmental entity who is designated by the affected governmental entity"—this is where the operative language is—"may examine during regular business hours the books, accounts, records, minutes, papers and property of any public utility, alternative seller, provider of discretionary natural gas service or provider of new electric resources who does business in this State, with respect to such business, regardless of whether the book, account, record, minutes, paper or property is located within this State."

Essentially there is this description of the authority to inspect those materials and then the exception specifically limiting that authority. The only exception that is identified in statute in this specific section is subsection 2, that reads, "No personnel records of an employee may be examined pursuant to subsection 1 unless the records contain information relating to a

matter of public safety or the Commission determines that the examination is required to protect the interests of the public." So, historically that is how many participants in our proceedings, including the Commission itself, has viewed the overarching authority to inspect records.

Assemblymember Backus:
That is kind of shocking to me. I mean, I do not know if you guys have had a court opinion regarding that, but I look at an attorney-client communication as an absolute privilege. And wow, I am just kind of shocked. I look forward to continuing to hear this bill, but that is really interesting to me. I practice in the civil realm which I know is a little different, but there are business laws under our titles where business records are open to inspection, which does not waive a privilege still. So that is interesting to me. Thank you for your explanation.

Garrett Weir:
Just a quick response—fortunately this bill is not proposing to change that. There is a mechanism through which a party who believes that the Commission has ruled in a way that is contrary to the law with regard to that authority or has ordered disclosure of something for which the party is claiming a privilege, there would be the opportunity to appeal for it to go to a court ultimately for judicial review. And again, this bill is not addressing that authority, it is merely related to information that is provided, maintaining that protection as privileged.

Assemblymember Yurek:
I really appreciate how you have explained this because like my colleague, I think I am bringing some of my concept and understanding of privilege from my civil context. As I have listened to the presentation, I read the bill, and I am looking at the amendment (Exhibit C). It seems to me that the intent of this bill is to basically encourage these applicable regulated entities to be fully transparent with, and cooperate with, the Commission and the investigative staff without fear of losing their evidentiary privilege. It seems to me that is what is attempting to be accomplished, so I appreciate that explanation. Can you help me understand, is this bill an attempt to be prophylactic and proactive to address this issue to encourage that cooperation? Or do we have examples of where a judge has actually subsequently deemed cooperation with your Commission and investigative staff to have waived their privilege to this information?

Garrett Weir:
We have not had any instances of a court ultimately weighing in on that issue. You are absolutely right; this is an attempt to be proactive. We are seeing concerns that have been raised about the effect of sharing that information and we want to proactively address that concern and encourage that sharing of information.

Again, to speak to the distinction here because, yes, attorney-client privilege is a sacred thing. The law that was passed, I think, was recognizing the unique type of entity a public utility is, the unique type of regulation that occurs, and the need for that ability to examine things that are important in making sure that people are receiving safe, reliable service affordably. As an example, we are talking about the attorney-client privilege, NRS

Chapter 49 also identifies the accountant privilege. Should the regulator get to see an audit that is performed that reveals some concerning information about the way that a utility is being managed? Those are the kinds of policy questions here about how much should that privilege protect this unique kind of entity.

Chair Watts:
Alright, thank you. I will make sure to give ample time to our fellow attorneys on this Committee to dig in on this. Members, any additional questions? Seeing none, we will move on to testimony in support of Assembly Bill 46. Anyone wishing to provide testimony in support either here in Carson City or remotely, please come forward.

Tony F. Sanchez III, Executive Vice President, Business Development and External Relations, NV Energy:
I appreciate the Committee's patience and latitude and the opportunity to work with the Commission on some initial concerns that we had, and we do concur with Mr. Weir's testimony. Bottom line, the purpose and intent of the conceptual amendment [Exhibit C] that we have proposed in working with the Commission and Southwest Gas is to foster greater transparency in proceedings before the Commission. This amendment does not mandate that we have to disclose privileged information. We obviously share the concerns expressed by your colleagues with respect to our ability to maintain attorney-client privilege, but it just provides legal safeguards that if we do choose to share that information, what happens to the information. It does not dictate who gets access to the information, all those are already subject to NRS Chapter 49 and other confidentiality provisions throughout Nevada law. It adds additional language to the PUCN, NRS Chapter 703, that aligns with established gaming law provisions. It mirrors that language to foster transparency and a greater opportunity, so these things do not have to be litigated in front of the Commission. It provides for codifying what could be described as a standard practice without having previously been contained in law. We think it provides a more clear and effective method to achieve that transparency.

With respect to the conceptual amendment, I do believe it probably needs a small amount of work and input from other parties that we have heard, as of today. We would ask that, obviously subject to the Chair's discretion, we could use a very small amount of time to address any other issues that might arise from today. I am happy to answer any questions or turn it over to my colleague from Southwest Gas.

Chair Watts:
Thank you, I think we will turn it over to the representative from Southwest Gas and then we will see if members have any questions about the amendment itself. Every member should have a copy of the amendment on their desk, and I believe there are copies provided for the public as well. It was submitted late, but we did want to make sure that it was available so that we could discuss it today.

Dylan Keith, Senior Manager, Public Affairs, Southwest Gas Corporation:
I wanted to quickly echo the comments from my colleague at NV Energy. We are in support of Assembly Bill 46 as amended. We would especially like to thank Mr. Weir, as well as his staff for working with us, as well as you, Chair, and the members for your grace and ability for the time to get this right and really work on the language to make sure it works best for all parties.

Chair Watts:
Members, any questions for either of the utilities on the amendment language? Seeing none, thank you.

Lucas Foletta, representing Boyd Gaming Corporation; The Venetian Las Vegas; and Station Casinos LLC:
I am an attorney, and I practice before the Commission. We are in support of the bill as written, which apparently the proposal is going to shift a bit, and that language is going to come out and there is going to be new language inserted. I feel compelled to address the language of the amendment as it has been presented today, because it is not entirely consistent with what the utility and the Commission has suggested is their intent. I do not believe that is necessarily purposeful, but I think we should talk about it just for a minute. I also think we should address the notion that it is sort of counterintuitive or potentially concerning that the Commission as a regulator has access to privileged information from public utilities.

I appreciate that it may be counterintuitive to lawyers of practice outside of this realm. The public utility is a regulated utility, it does not operate in a competitive space. Litigated settlements, jury awards, these are all things that ratepayers are asked to pay after the fact. The only way to evaluate the reasonableness of those requests by the utility, that the cost of those things be passed on to ratepayers, is to in some cases evaluate some of the privileged information that is generated in the course of those court cases or settlement discussions. It has frequently been the case over the years, that type of information has been presented to the regulator without objection. And because they recognize that if they want somebody else to pay for those things, they are going to have to justify it. I will give you an example of a wildfire—we have not had one here yet but let us talk about a California situation where there is a lawsuit over who caused a wildfire. Reports are generated internally by the utility who is accused of causing it as to the causation of the fire. That information clearly should be given to the regulator when that utility comes to the regulator and says, We need the ratepayer to cover the billion-dollar damage award that we are subject to. That goes to the reason of the books and records privilege, which I will call the Commission's privilege.

On this amendment (Exhibit C), if you look at it, my concern is that it goes beyond the simple rule of saying disclosure of that information to your regulator is not a waiver. I agree with that. That should be the rule and I think, frankly, it already is. That said, if you look at section 6 [*sic*], it says: Any communication or document of the public utility transmitted to the Commission for a variety of reasons including (c), assisting the Commission in the performance of their respective duties, is absolutely privileged.

That creates, in my mind, a new privilege. That means anything the utility gives the Commission in the course of a case is absolutely privileged. That is not the same thing as saying you are not waiving an existing privilege by submitting that information. I am concerned that is significantly overbroad. I am also concerned with the idea that, as the sentence goes on, conveying that information "does not impose liability for defamation or constitute a ground for recovery in any civil action"; that creates a giant liability shield. If I produce information in the course of a PUCN case that indicates I was liable for a wildfire, and now this rule is that document—whatever it is or was, some report created by the utility—cannot be grounds for liability in a civil context, that would be hugely problematic, I think, for anybody affected by the fire. It also creates the possibility that the Commission's process is used as a liability shield. If you are the utility, you are just going to dump everything you have into the Commission and its process and claim this rule protects you from liability associated with that instance, because you gave it to the Commission. I do not think anybody wants that.

Section 7 seems to reflect the original intent of the bill, which I think I agree with. I am also concerned about section 8; it suggests that the Commission cannot release privileged information without the consent of the utility. Under our process, the Commission is in charge of the utility and not vice versa. This also suggests that the Commission or staff cannot give this information to the Bureau of Consumer Protection, Office of the Attorney General. The Bureau of Consumer Protection is a regulator. They are entitled—they have the same books and records privileges as the Commission staff. You will see the Bureau of Consumer Protection is referenced in the original version of the bill, and it is not referenced here. I am a little concerned that there is a possibility this could be construed to prevent the Commission or staff from giving privileged information to the Bureau of Consumer Protection, which would create an aberration. That is not a situation that exists today.

I am also concerned about the Commission being put in the position of having to litigate its own ability to disclose something to a third party based on its view that something is not privileged. This says you cannot give away a privileged document, but who is going to decide that? Now the Commission may be concerned about disclosing this information even if they feel it is not privileged. That could chill the ability of parties in these cases to access non-privileged information because the Commission is worried about the utility when it raises their hand and says, We think that is privileged. I think that can get worked out in the context of these cases and it does. If we provide a new rule that says the Commission cannot give it out, and that new rule is a basis for a legal action from the utility that says to a court, They cannot give this out, we now have a new situation. If we are trying to codify sort of an existing rule about the waiver of privileges associated with utility information given to the Public Utilities Commission of Nevada, I think that is appropriate and I think the utilities should have that protection. But we should not go any further than that, and this definitely does, as written.

Chair Watts:
Thank you for providing that information. I am not exactly sure how to classify testimony in support of the original bill but raising concerns about the amendment that was brought by a

third party that is mostly accepted by the sponsor. I think we might just go with neutral on that, but we do appreciate the additional information.

Would anyone else like to testify in support of Assembly Bill 46? Seeing nobody coming forward, is there anyone in support of A.B. 46 by phone?

Ernest Figueroa, Consumer Advocate, Bureau of Consumer Protection, Office of the Attorney General:
I am the Nevada Consumer Advocate and Chief Deputy Attorney General, the executive head of the Bureau of Consumer Protection. I am here testifying in support of A.B. 46 as introduced. I echo the concerns of Mr. Foletta, so I do not know if you want to alter my position as neutral, Chair, but you do so as you wish. At the end of the day, I just want to say I look forward to working with the bill sponsor and the conceptual amendment stakeholders to see if we could get to some sort of consensus, that we get this bill pushed through. Thank you.

Chair Watts:
I think we will go with neutral on that but I do appreciate you providing your position and that information for the record. Next caller, please. [There was no one.] With that, we will move on to testimony in opposition to Assembly Bill 46. If anyone would like to provide testimony in opposition in either Carson City or Las Vegas, please come forward. [There was no one.] Is there anyone wishing to provide testimony in opposition to Assembly Bill 46 by phone?

Kim Fergus, Private Citizen:
I would like to say hello, and I do not want to sound kind of goofy on this, but I am a little confused. I am in total opposition to A.B. 46, seeing that, the way I see it, it is protecting utility companies, not consumers, and I do have a personal thing that happened a year ago with the PUCN. Assembly Bill 46 is a dangerous expansion of government overreach that prioritizes utility companies over consumers; particularly in Clark County, where the PUCN already wields too much unchecked power. The bill further shields utility companies like Southwest Gas from public accountability when offering zero protection for struggling ratepayers. Consumers are already facing astronomical rate hikes with some gas bills increasing by $100 per month, yet the PUCN continues to approve these increases without explanation or jurisdiction. Instead of insurance transparency, A.B. 46 allows utility companies to hide behind confidentiality laws, making it even harder for the public to know why prices are skyrocketing. By expanding secrecy provisions, this bill will make it nearly impossible for consumers and watchdog groups to challenge unjustified price hikes.

The PUCN, which should be protecting the public, is instead acting as a shield for monopolistic utilities, blocking public oversight, and allowing corporations to maximize profits at the expense of the Nevada residents. Rather than passing laws that protect corporate interests, lawmakers should be fighting for transparency, public participation, and stronger consumer protections. Assembly Bill 46 must be rejected in favor of legislation that limits PUCN's power, mandates public hearings for rate increases, and holds utilities accountable

for every dollar they charge. I am sorry if I sound abrupt or whatever, but that is my feeling on this bill.

Chair Watts:
Thank you very much for providing your comments. We appreciate your calling in. Next caller, please. [There was no one.] With that, we will move on to testimony in neutral on Assembly Bill 46.

Jimmy Lau, representing Western Resource Advocates:
Western Resource Advocates was supportive of the bill as it was introduced, and we are reviewing the amendment but do have some concerns with the change in language.

Chair Watts:
Seeing nobody else coming forward in Carson City or Las Vegas, is there anyone wishing to provide testimony in neutral on A.B. 46 by phone? [There was no one.] Mr. Weir, would you like to make any closing comments?

Garrett Weir:
I will just conclude by saying that we will continue to work with the stakeholders to achieve consensus. It seems like mostly everyone appreciates the intent of the bill as introduced, and I am hopeful that we will be able to craft some language that alleviates everyone's concerns. Hopefully that language will be forthcoming.

Chair Watts:
Thank you, please keep me apprised of those efforts as they move forward. That will conclude our hearing, so I will close the hearing on Assembly Bill 46, and we will move on to the last item on our agenda today, which is public comment. [There was no one.]

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That concludes our business for today. Our next meeting will be on Tuesday, March 11, at 1:30 p.m. This meeting is adjourned [at 2:24 p.m.].

RESPECTFULLY SUBMITTED:

Maria Benamati
Committee Secretary

APPROVED BY:

Assemblymember Howard Watts, Chair

DATE: _____

EXHIBITS

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 46	C	Tony F. Sanchez III, Executive Vice President, Business Development and External Relations, NV Energy	Proposed conceptual amendment