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IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA IN AND FOR CARSON CITY

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UBER SEXUAL ASSAULT SURVIVORS FOR LEGAL ACCOUNTABILITY AND NEVADA JUSTICE ASSOCIATION.

Plaintiff,

VS.

UBER TECHNOLOGIES, INC., A DELAWARE CORPORATION; MATT GRIFFIN, JOHN GRIFFIN, SCOTT GILLES, AND TIA WHITE, INDIVIDUALS; NEVADANS FOR FAIR RECOVERY, A REGISTERED NEVADA POLITICAL ACTION COMMITTEE; AND FRANCISCO AGUILAR, IN HIS OFFICIAL CAPACITY AS NEVADA SECRETARY OF STATE,

Defendant

Case No.: 24 OC 00056 1B

Dept No. 1

FINDINGS OF FACT AND CONCLUSIONS OF LAW AND ORDER DENYING PLAINTIFFS' LEGAL CHALLENGE TO INITIATIVE PETITION S-04-2024

This matter came before this Court following a complaint filed by Plaintiffs Uber Sexual Assault Survivors for Legal Accountability and Nevada Justice Association (collectively, "Plaintiffs") challenging the legal sufficiency of Initiative Petition S-04-2024 (the "Petition").

On March 18, 2024, Tia White, on behalf of Nevadans for Fair Recovery, filed the Petition with the Nevada Secretary of State. On April 8, Plaintiffs filed their complaint, pursuant to NRS

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A.

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 295.061. After briefing according to a schedule to which the parties stipulated, the Court held a hearing on May 6, 2024, regarding Plaintiffs' legal challenge to the Petition.

As indicated by this Court in all initiative hearings, this Court takes no position as to the merit of the initiative but seeks to determine if the requirements of NRS 295.009, et al and Article 19 of the Nevada Constitution have been complied with.

Initially, the Court would note that Plaintiffs have made strong argument's as to the initiative having the effect of precluding access to legal counsel, reducing the reimbursement to the State Medicaid fund, and changing the calculation of contingent fees by removal of medical expenses from the calculations thereof. All of these arguments against the initiative may or may not have merit, but are not dermane to whether the requirements of NRS 295.009 and Article 19 of the Nevada Constitution have been complied with.

The Court, having reviewed the papers and pleadings on file, considered the matter, being fully advised, and good cause appearing, finds, concludes, and orders as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW1

FINDINGS OF FACT

1. Initiative Petition S-04-2024

On March 18, 2024, Tia White, on behalf of Nevadans for Fair Recovery, filed the Petition with the Nevada Secretary of State. The Petition seeks to amend Title 1, Chapter 7 of the Nevada Revised Statutes by adding a new section thereto that seeks to limit the fees an attorney can charge and receive in a civil case in Nevada to 20% of any amount or amounts recovered, beginning in 2027.

Any findings of fact which are more appropriately considered conclusions of law shall be treated as such, and any conclusions of law which are more appropriately considered findings of fact shall be treated as such.

The Petition includes a description of effect as required by NRS 295.009(1)(b), which reads, in full:

If enacted, this initiative will limit the fees an attorney can charge and receive as a contingency fee in a civil case in Nevada to 20% of any amount or amounts recovered, beginning in 2027.

In Nevada currently, most civil cases do not limit an attorney's contingent fee percentages, except that such fees must be reasonable. Current law does, however, limit attorney fees in medical malpractice cases to 35% of any recovery, and caps contingency fees for a private attorney contracted to represent the State of Nevada to 25% of the total amount recovered.

2. Procedural History

On April 8, Plaintiffs filed their complaint, pursuant to NRS 295.061, challenging the legal sufficiency of the Petition. On April 12, Plaintiffs filed a memorandum in support of their complaint.

On April 16, the parties stipulated to, and the Court ordered, a briefing schedule for this matter. On April 19, Defendants Uber Technologies, Inc., Matt Griffin, John Griffin, Scott Gilles. Tia White, and Nevadans for Fair Recovery (collectively, "Defendants") filed a response memorandum. After briefing, this Court held a hearing on the matter on May 6.

As an initial matter, it is important to state that at hearing both parties agreed that in a preelection challenge to an initiative petition, the only issues for the Court concern whether the Petition complies with the requirements of NRS 295.009 and any pertinent procedural provisions of Article 19 of the Nevada Constitution. The Court does not inquire into, and does not consider, either the substantive validity of the proposal or the positive or negative qualities, as policy, of its provisions.

B. CONCLUSIONS OF LAW

1. The Petition Does Not Violate Nevada's Single Subject Rule

NRS 295.009(1) provides that "[e]ach petition for initiative or referendum must ... [e]mbrace but one subject and matters necessarily connected therewith and pertaining thereto." Subsection 2 of that statute explains that an initiative "embraces but one subject and matters necessarily connected therewith and pertaining thereto, if the parts of the proposed initiative ... are functionally related and germane to each other in a way that provides sufficient notice of the general subject of, and of the interests likely to be affected by, the proposed initiative." NRS 295.009(2).

The single-subject requirement "facilitates the initiative process by preventing petition drafters from circulating confusing petitions that address multiple subjects." *Nevadans for the Proceof Prop. Rights, Inc. v. Heller*, 122 Nev. 894, 902, 141 P.3d 1235, 1240 (2006). Thus, "the single-subject requirement helps both in promoting informed decisions and in preventing the enactment of unpopular provisions by attaching them to more attractive proposals or concealing them in lengthy, complex initiatives (i.e., logrolling)." *Las Vegas Taxpayer Accountability Comte. v. City Council of City of Las Vegas*, 125 Nev. 165, 176-77, 208 P.3d 429, 436-37 (2009).

In considering single-subject challenges, courts must first determine the initiative's purpose or subject. "To determine the initiative's purpose or subject, this court looks to its textual language and the proponents' arguments." Las Vegas Taxpayer, 125 Nev. at 180, 208 P.3d at 439. Courts also will look at whether the description of effect articulates an overarching purpose and explains how provisions relate to a single subject. Id.

Furthermore, and most recently, in *Helton v. Nevada Voters First PAC*, 138 Nev. Adv. Op. 45, 512 P.3d 309 (2022), the Nevada Supreme Court stated that "even if an initiative petition proposes more than one change, each of which could be brought in separate initiative petitions, the proper consideration is whether the changes are functionally related and germane to each other and the petition's subject." *Id.*, 512 P.3d at 314. The Court found that "(b)oth categories of changes proposed in the ... initiative concern the election process in Nevada and more specifically how

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candidates for the specifically defined partisan offices are presented to voters and elected." *Id.*, 512 P.3d at 314-15.

In this case, the Court finds that the primary purpose of the Petition, clear from both its text and the description of effect, is the limitation of contingency fees in civil cases. Further, the Court finds that the Petition's text, its description of effect, and the arguments of the Defendants in briefing and at hearing confirm the Petition's primary purpose. And unlike the petition at issue in Helton, for example, the Petition does not appear to present multiple changes that could be considered to be unrelated in any event. Section 1 sets out the substantive purpose of the proposal; Section 2 describes the scope of Section 1's proposal; and Section 3 provides a definition of "recovered," for purposes of the proposed new statute. All three sections of the Petition, therefore, are functionally related and germane both to the primary purpose of the Petition and to one another.

The Court is unconvinced by Plaintiffs' arguments because Plaintiffs have not identified multiple "subjects" under any reading of Nevada statutory or case law authority. For example, the fact that the term "civil cases" covers more than one type of civil action does not constitute a single-subject violation, because the primary purpose of the Petition is the limitation of contingency fees in civil cases generally. See, e.g., Nev. R. Civ. Proc., 1, 2, and 3.

The Court finds the Petition does not violate NRS 295.009(1)(a)'s single-subject requirement.

2. The Petition Does Not Violate Article 19, Section 3's "Full-Text" Requirement

Under Article 19, Section 3 of the Nevada Constitution, proponents must "include the full text of the measure proposed" with a filed initiative petition. Nev. Const. art. 19, § 3. Plaintiffs contend that some other statutory text beyond that which proponents have proposed should be included with the Petition, because they speculate that the Petition, should it become law, may

² See Helton, 512 P.3d at 315 n.5: "A subject is the overall thing being discussed, whereas a change is the alteration or modification of existing law. See 'Subject,' Black's Law Dictionary (11th ed. 2019) (defining "subject" as "[t]he matter of concern over which something is created")."

have some future effect on those other provisions of law. The Court disagrees that this is what Article 19, Section 3 requires, and finds that every provision that is proposed to be circulated for signatures and to be considered by the electorate is included with the filed Petition, and that therefore there is no violation of the full-text requirement. To rule otherwise would not only be speculative, but would interfere unnecessarily with the people's right to the initiative power, if each proposed petition had also to contain the text of any and all other laws that might possibly be affected by the petition's enactment.

3. The Petition's Description Of Effect Is Legally Adequate

Under NRS 295.009(1)(b), every initiative must "[s]et forth, in not more than 200 words, a description of the effect of the initiative or referendum if the initiative or referendum is approved by the voters." The purpose of the description is to "prevent voter confusion and promote informed decisions." *Nevadans for Nev. v. Beers*, 122 Nev. 930, 939, 142 P.3d 339, 345 (2006). Thus, "[t]he importance of the description of effect cannot be minimized, as it is what the voters see when deciding whether to even sign a petition." *Coal. For Nev.'s Future v. RIP Com. Tax, Inc.*, No. 69501, 2016 WL 2842925 at *2 (2016) (unpublished disposition) (citing *Educ. Initiative PAC v. Comm. To Protect Nev. Jobs*, 129 Nev. 35, 37, 293 P.3d 874, 876 (2013)). "[T]he description of effect may hold even more impact with respect to a referendum, since merely gathering sufficient signatures to place a referendum on the ballot guarantees a change to the law regardless of the election's outcome." *Id.* (citing Nev. Const. art. 19, § 1(3) (providing that, if the voters approve the referendum, the statute "shall stand as the law of the state and shall not be amended, annulled, repealed, set aside, suspended or in any way made inoperative except by the direct vote of the people," and if the voters disapprove the statute or resolution, it is rendered void)).

The Nevada Supreme Court has repeatedly held that "a description of effect must be straightforward, succinct, and non-argumentative, and it must not be deceptive or misleading." *Educ. Initiative PAC*, 129 Nev. at 42, 293 P.3d at 879 (internal quotation marks and citation omitted). It must also "explain the[] ramifications of the proposed amendment" in order to allow

voters to make an informed decision. Nev. Judges Ass'n v. Lau, 112 Nev. 51, 59, 910 P.2d 898, 903 (1996).

This Court finds that the Petition's description of effect meets the requirements of Nevada law. The description of effect is straightforward, succinct, under 200 words, and there is no basis for a finding of any argumentative language as written. The Court finds that Plaintiffs fail to meet their burden of showing that the Petition's description of effect does not comply with NRS 295.009

With their Complaint, Plaintiffs filed numerous declarations regarding the opinions of multiple persons in various fields regarding what Plaintiffs believe may be the eventual effects of the Petition should it one day become law, including what they contend are potential effects on government programs, like Medicaid, that can receive reimbursement funds through subrogation claims upon settlement or damages awards at the conclusion of civil actions. The Court makes no findings regarding the truth or falsity of the claims in Plaintiffs' declarations, but believes these sorts of potential effect to be too speculative and hypothetical to be required to be included in the Petition's description. Most of the speculative effects Plaintiffs identify "do not concern the initiative's primary goal," and instead "involve how the initiative may apply in a variety of hypothetical situations." Nevadans for Reproductive Freedom v. Washington, 140 Nev. Adv. Op. 28, 2024 WL 1688083, at *5 (Nev. Apr. 18, 2024).

Furthermore, these and any other perceived effects of the Petition upon which Plaintiffs or their declarants opine can be the subject of political speech, lobbying efforts, or campaign materials in opposition to the passage and enactment of the Petition when, and if, it is transmitted to the Nevada Legislature or qualifies for placement on the ballot at a general election ballot. As the Supreme Court has noted, "the description of effect ... does not serve as the full, detailed explanation, including arguments for and against, that voters receive prior to a general election," and "once enough signatures have been gathered to place the initiative on the ballot, the Secretary of State will draft a neutral summary of the initiative, which does not have a word limit, and committees will draft arguments for and against the passage of the initiative, both of which will be

placed on the ballot, instead of the description of effect." *Helton*, 512 P.3d at 317 n.6. (citing *Educ*. *Initiative PAC*, 129 Nev. at 39–40).

Additionally, because the description of effect of an initiative petition is, by law, limited in length, it cannot constitutionally be required to delineate every downstream effect that an initiative may have; to conclude otherwise could obstruct, rather than facilitate, the people's right to the initiative process. *Educ. Initiative PAC*, 129 Nev. at 38. In the words of the Nevada Supreme Court, "an opponent of a ballot initiative [can often] identify some perceived effect of an initiative that is not explained by the description of effect, challenge the initiative in district court, and block the people's right to the initiative process." But the "[s]tatutes enacted to facilitate the initiative process cannot be interpreted so strictly as to halt the process." *Educ. Initiative PAC*, 129 Nev. at 47.

The Court finds the description of effect of the Petition satisfies Nevada's NRS 295.009 requirements, as the plain language of the description is straightforward, succinct, and non-argumentative.

Based on the foregoing findings of fact and conclusions of law:

IT IS HEREBY ORDERED and declared that Initiative Petition S-04-2024 does not violate Nevada's single subject rule.

IT IS HEREBY FURTHER ORDERED and declared that Initiative Petition S-04-2024's description of effect meets the requirements of Nevada law.

IT IS HEREBY FURTHER ORDERED and declared that Initiative Petition S-04-2024 does not violate Article 19, Section 3.

III

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IT IS FURTHER ORDERED that Plaintiffs' challenges to Initiative Petition S-04-2023 are rejected, and Plaintiffs' complaint is dismissed with prejudice.

Dated this __/O⁺ day of May, 2024.

JAMES T. RUSSELL
DISTRICT COURT JUDGE

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and that on May _______, 2024, I deposited for mailing, postage paid, at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

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