

ASSEMBLY BILL NO. 611—COMMITTEE ON ELECTIONS,
PROCEDURES, AND ETHICS

MARCH 18, 1999

Referred to Committee on Elections, Procedures, and Ethics

SUMMARY—Revises provisions governing financial disclosure statements of certain public and judicial officers. (BDR 23-1590)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to ethics in government; revising the provisions governing the financial disclosure statements of certain public and judicial officers; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE
AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 281.561 is hereby amended to read as follows:
2 281.561 ~~{Every}~~
3 ***1. Except as otherwise provided in subsection 2 or 3, if a*** candidate
4 for public or judicial office ~~{and every}~~ ***or a*** public or judicial officer ***is***
5 ***entitled to receive compensation for serving in the office in question, he***
6 shall file with the commission, and with the officer with whom
7 declarations of candidacy for ~~{his respective}~~ ***the*** office ***in question*** are
8 filed, a statement of financial disclosure, as follows:
9 ~~{1-}~~ ***(a)*** A candidate for nomination, election or reelection shall file a
10 statement of financial disclosure no later than the 10th day after the last
11 day to qualify as a candidate for the office.
12 ~~{2-}~~ ***(b)*** A public or judicial officer appointed to fill the unexpired term
13 of an elected public or judicial officer shall file a statement of financial
14 disclosure within 30 days after his appointment.
15 ~~{3-}~~ ***(c)*** Every public or judicial officer, whether appointed or elected,
16 shall file a statement of financial disclosure on or before March 31 of each
17 year of the term, including the year the term expires.

1 ~~[4.]~~ (d) A public or judicial officer who leaves office on a date other
2 than the expiration of his term or anniversary of his appointment or
3 election, shall file a statement of financial disclosure within 60 days after
4 leaving office.

5 2. A statement filed pursuant to one of the ~~[subsections of this section]~~
6 *paragraphs of subsection 1* may be used to satisfy the requirements of
7 another *paragraph of subsection 1* if the initial statement was filed
8 ~~[within]~~ *not more than* 3 months before the other statement is required to
9 be filed. The public or judicial officer shall notify the commission in
10 writing of his intention to use the previously filed statement to fulfill the
11 present requirement.

12 3. *If a person is serving in a public or judicial office for which he is*
13 *required to file a statement pursuant to subsection 1, he may use the*
14 *statement he files for that initial office to satisfy the requirements of*
15 *subsection 1 for every other public or judicial office in which he is also*
16 *serving. The person shall notify the commission in writing of his*
17 *intention to use the statement for the initial office to fulfill the*
18 *requirements of subsection 1 for every other office.*

19 4. A person may satisfy the requirements of ~~[this section]~~ *subsection 1*
20 by filing with the commission a copy of a statement of financial disclosure
21 ~~[which]~~ *that* was filed pursuant to the requirements of a specialized or
22 local ethics committee if the form of the statement has been approved by
23 the commission.

24 **Sec. 2.** NRS 281.571 is hereby amended to read as follows:

25 281.571 1. Statements of financial disclosure, as approved pursuant
26 to NRS 281.541 or in such form as the commission otherwise prescribes,
27 must contain the following information concerning the candidate or public
28 or judicial officer:

29 (a) His length of residence in the State of Nevada and the district in
30 which he is registered to vote.

31 (b) Each source of his income, ~~[or]~~ *and* that of any member of his
32 household ~~[. No]~~ , *including, without limitation, a* listing of individual
33 clients, customers ~~[or patients is required, but if that is the case, a general~~
34 ~~source such as "professional services" must be disclosed.]~~ *and patients*
35 *who provided him, any member of his household or any business entity*
36 *required to be disclosed pursuant to paragraph (f) with not less than*
37 *\$10,000 of net income. This paragraph does not require the disclosure of*
38 *information if the information is privileged against disclosure by law or*
39 *pursuant to the ethical standards of a professional association.*

40 (c) A list of the specific location and particular use of real estate, other
41 than a personal residence:

42 (1) In which he or a member of his household has a legal or
43 beneficial

interest;

1 (2) Whose fair market value is \$2,500 or more; and

2 (3) That is located in this state or an adjacent state.

3 (d) The name of each creditor to whom he or a member of his
4 household owes \$5,000 or more, except for:

5 (1) A debt secured by a mortgage or deed of trust of real property
6 which is not required to be listed pursuant to paragraph (c); and

7 (2) A debt for which a security interest in a motor vehicle for
8 personal use was retained by the seller.

9 (e) If the candidate or public or judicial officer has received gifts in
10 excess of an aggregate value of \$200 from a donor during the preceding
11 taxable year, a list of all such gifts, including the identity of the donor and
12 value of each gift, except:

13 (1) A gift received from a person who is related to the candidate or
14 public or judicial officer within the third degree of consanguinity or
15 affinity.

16 (2) Ceremonial gifts received for a birthday, wedding, anniversary,
17 holiday or other ceremonial occasion if the donor does not have a
18 substantial interest in the legislative, administrative, judicial or political
19 action of the candidate or public or judicial officer.

20 (f) A list of each business entity with which he or a member of his
21 household is involved as a trustee, beneficiary of a trust, director, officer,
22 owner in whole or in part, limited or general partner, or holder of a class of
23 stock or security representing 1 percent or more of the total outstanding
24 stock or securities issued by the business entity.

25 (g) A list of all public offices presently held by him for which this
26 statement of financial disclosure is required.

27 ***(h) The name of each member of his household.***

28 2. The commission shall distribute or cause to be distributed the forms
29 required for such a statement to each candidate and public or judicial
30 officer who is required to file one. The commission is not responsible for
31 the costs of producing or distributing a form for filing statements of
32 financial disclosure which is prescribed pursuant to subsection 1 of NRS
33 281.541.

34 3. As used in this section:

35 (a) "Business entity" means an organization or enterprise operated for
36 economic gain, including a proprietorship, partnership, firm, business,
37 trust, joint venture, syndicate, corporation or association.

38 (b) "Household" includes:

39 (1) ***The spouse of the candidate or public or judicial officer;***

40 (2) A person who does not live in the same home or dwelling, but
41 who is dependent on and receiving substantial support from the candidate
42 or public or judicial officer; and

1 ~~1(2)~~ (3) A person who lived in the home or dwelling of the candidate
2 or public or judicial officer for 6 months or more in the year immediately
3 preceding the year in which the candidate or public or judicial officer files
4 the statement of financial disclosure.

5 **Sec. 3.** NRS 281.581 is hereby amended to read as follows:

6 281.581 **1.** A candidate or public or judicial officer who fails to file
7 his statement of financial disclosure in a timely manner pursuant to NRS
8 281.561 is subject to a civil penalty and payment of court costs and
9 attorney's fees. The amount of the civil penalty is:

10 ~~1(1)~~ (a) If the statement is filed not more than 7 days late, \$25 for each
11 day the statement is late.

12 ~~1(2)~~ (b) If the statement is filed more than 7 days late but not more than
13 15 days late, \$175 for the first 7 days, plus \$50 for each additional day the
14 statement is late.

15 ~~1(3)~~ (c) If the statement is filed more than 15 days late, \$575 for the first
16 15 days, plus \$100 for each additional day the statement is late.

17 **2. The commission may, for good cause shown, waive or reduce the**
18 **civil penalty.**

19 **3.** The civil penalty must be recovered in a civil action brought in the
20 name of the State of Nevada by the commission in a court of competent
21 jurisdiction and deposited with the state treasurer for credit to the state
22 general fund.