

CHAPTER.....

AN ACT relating to ethics in government; requiring certain public officers to submit electronically to the Commission on Ethics and the Secretary of State a list of public officers and candidates for public office; revising the prohibition against a public officer or employee using his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for certain persons; removing a duplicative provision relating to the disclosure of certain conflicts of interest; revising certain deadlines related to investigations and determinations concerning ethics violations; eliminating the authority of the Commission to impose a civil penalty against a person who submits to the Commission a false accusation or information in bad faith or with a vexatious purpose; revising the provisions governing the filing of statements of financial disclosure; repealing the provision prohibiting a person from making, using, publishing or disseminating a false, deceptive or misleading statement to induce the Commission to render an opinion or take action relating thereto; and providing other matters properly relating thereto.

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

Section 1. Chapter 281 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.7 of this act.

Sec. 1.3. 1. *A list of each public officer who is required to file a statement of financial disclosure pursuant to NRS 281.561 or section 1.7 of this act must be submitted electronically to the Commission and to the Secretary of State, in a form prescribed by the Commission, on or before December 1 of each year by:*

(a) Each county clerk for all public officers of the county and other local governments within the county other than cities;

(b) Each city clerk for all public officers of the city;

(c) The Director of the Legislative Counsel Bureau for all public officers of the Legislative Branch; and

(d) The Chief of the Budget Division of the Department of Administration for all public officers of the Executive Branch.

2. *The Secretary of State, each county clerk, or the registrar of voters of the county if one was appointed pursuant to NRS 244.164, and each city clerk shall submit electronically to the Commission, and each county clerk, or the registrar of voters of the county if one was appointed pursuant to NRS 244.164, and*

each city clerk shall submit electronically to the Secretary of State, in a form prescribed by the Commission, a list of each candidate for public office who filed a declaration of candidacy or acceptance of candidacy with that officer within 10 days after the last day to qualify as a candidate for the applicable office.

Sec. 1.7. *1. Except as otherwise provided in subsection 2 or 3, each public officer who was appointed to the office for which he is serving and who is entitled to receive annual compensation of \$6,000 or more for serving in that office shall file with the Commission, and with the officer with whom declarations of candidacy for the office are filed, a statement of financial disclosure, as follows:*

(a) A public officer appointed to fill the unexpired term of an elected public officer shall file a statement of financial disclosure within 30 days after his appointment.

(b) Each public officer appointed to fill an office shall file a statement of financial disclosure on or before January 15 of each year of the term, including the year the term expires.

(c) A public officer who leaves office on a date other than the expiration of his term or anniversary of his appointment shall file a statement of financial disclosure within 60 days after leaving office.

2. A statement filed pursuant to one of the paragraphs of subsection 1 may be used to satisfy the requirements of another paragraph of subsection 1 if the initial statement was filed not more than 3 months before the other statement is required to be filed.

3. If a person is serving in a public office for which he is required to file a statement pursuant to subsection 1, he may use the statement he files for that initial office to satisfy the requirements of subsection 1 for every other public office in which he is also serving.

4. A person may satisfy the requirements of subsection 1 by filing with the Commission a copy of a statement of financial disclosure that was filed pursuant to the requirements of a specialized or local ethics committee if the form of the statement has been approved by the Commission.

5. A candidate for judicial office or a judicial officer shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281.571.

Sec. 2. *NRS 281.431 is hereby amended to read as follows:*

281.431 As used in NRS 281.411 to 281.581, inclusive, and sections 1.3 and 1.7 of this act, unless the context otherwise

requires, the words and terms defined in NRS 281.432 to 281.4375, inclusive, have the meanings ascribed to them in those sections.

Sec. 2.5. (Deleted by amendment.)

Sec. 3. NRS 281.4635 is hereby amended to read as follows:

281.4635 1. In addition to any other duties imposed upon him, the Executive Director shall:

(a) Maintain complete and accurate records of all transactions and proceedings of the Commission.

(b) Receive requests for opinions pursuant to NRS 281.511, 294A.345 or 294A.346.

(c) Gather information and conduct investigations regarding requests for opinions received by the Commission and submit recommendations to the panel appointed pursuant to NRS 281.462 regarding whether there is just and sufficient cause to render an opinion in response to a particular request.

(d) Recommend to the Commission any regulations or legislation that he considers desirable or necessary to improve the operation of the Commission and maintain high standards of ethical conduct in government.

(e) Upon the request of any public officer or the employer of a public employee, conduct training on the requirements of this chapter, the rules and regulations adopted by the Commission and previous opinions of the Commission. In any such training, the Executive Director shall emphasize that he is not a member of the Commission and that only the Commission may issue opinions concerning the application of the statutory ethical standards to any given set of facts and circumstances. The Commission ~~{shall}~~ **may** charge a reasonable fee to cover the costs of training provided by the Executive Director pursuant to this subsection.

(f) Perform such other duties, not inconsistent with law, as may be required by the Commission.

2. The Executive Director shall, within the limits of legislative appropriation, employ such persons as are necessary to carry out any of his duties relating to:

(a) The administration of the affairs of the Commission;

(b) The review of statements of financial disclosure; and

(c) The investigation of matters under the jurisdiction of the Commission.

Sec. 3.3. (Deleted by amendment.)

Sec. 3.7. NRS 281.471 is hereby amended to read as follows:

281.471 The Commission shall:

1. Adopt procedural regulations:

(a) To facilitate the receipt of inquiries by the Commission;

(b) For the filing of a request for an opinion with the Commission;

(c) For the withdrawal of a request for an opinion by the person who filed the request; and

(d) To facilitate the prompt rendition of opinions by the Commission.

2. *Prescribe, by regulation, forms for the submission of statements of financial disclosure filed by candidates and elected and appointed public officers pursuant to NRS 281.561 and section 1.7 of this act and statements of acknowledgment filed by public officers pursuant to NRS 281.552.*

3. Prescribe, by regulation, ~~{forms and}~~ procedures for the submission of statements of financial disclosure *filed by appointed public officers pursuant to section 1.7 of this act* and statements of acknowledgment filed by public officers pursuant to NRS 281.552, maintain files of such statements and make the statements available for public inspection.

~~{3-}~~ 4. Cause the making of such investigations as are reasonable and necessary for the rendition of its opinions pursuant to this chapter.

~~{4-}~~ 5. Inform the Attorney General or district attorney of all cases of noncompliance with the requirements of this chapter.

~~{5-}~~ 6. Recommend to the Legislature such further legislation as the Commission considers desirable or necessary to promote and maintain high standards of ethical conduct in government.

~~{6-}~~ 7. Publish a manual for the use of public officers and employees that contains:

(a) Hypothetical opinions which are abstracted from opinions rendered pursuant to subsection 1 of NRS 281.511, for the future guidance of all persons concerned with ethical standards in government;

(b) Abstracts of selected opinions rendered pursuant to subsection 2 of NRS 281.511; and

(c) An abstract of the requirements of this chapter.

The Legislative Counsel shall prepare annotations to this chapter for inclusion in the Nevada Revised Statutes based on the abstracts and published opinions of the Commission.

Sec. 4. NRS 281.475 is hereby amended to read as follows:

281.475 1. The Chairman and Vice Chairman of the Commission may administer oaths.

2. The Commission, upon majority vote, may issue a subpoena to compel the attendance of a witness and the production of books and papers. Upon the request of the Executive Director or the public officer or public employee who is the subject of a request for an opinion, the Chairman or, in his absence, the Vice Chairman, may issue a subpoena to compel the attendance of a witness and the production of books and papers.

3. Before issuing a subpoena to a public officer or public employee who is the subject of a request for an opinion, the Executive Director shall submit a written request to the public officer or public employee requesting:

- (a) His appearance as a witness; or
- (b) His production of any books and papers relating to the request for an opinion.

4. Each written request submitted by the Executive Director pursuant to subsection 3 must specify the time and place for the attendance of the public officer or public employee or the production of any books and papers, and designate with certainty the books and papers requested, if any. If the public officer or public employee fails or refuses to attend at the time and place specified or produce the books and papers requested by the Executive Director within 5 business days after receipt of the request, the Chairman may issue the subpoena. Failure of the public officer or public employee to comply with the written request of the Executive Director ~~[constitutes good cause for extension]~~ *shall be deemed a waiver by the public officer or public employee* of the time set forth in subsections 3 and 4 of NRS 281.511.

5. If any witness refuses to attend, testify or produce any books and papers as required by the subpoena, the Chairman of the Commission may report to the district court by petition, setting forth that:

- (a) Due notice has been given of the time and place of attendance of the witness or the production of the books and papers;
- (b) The witness has been subpoenaed by the Commission pursuant to this section; and
- (c) The witness has failed or refused to attend or produce the books and papers required by the subpoena before the Commission, or has refused to answer questions propounded to him, and asking for an order of the court compelling the witness to attend and testify or produce the books and papers before the Commission.

6. Except as otherwise provided in this subsection, upon such a petition, the court shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order, and then and there show cause why he has not attended, testified or produced the books or papers before the Commission. If the witness has been subpoenaed by the Commission in response to a request for an opinion filed pursuant to NRS 294A.345 or 294A.346, the court shall direct the witness to appear before the court as expeditiously as possible to allow the Commission to render its opinion within the time required by NRS 281.477. A certified copy of the order must be served upon the witness.

7. If it appears to the court that the subpoena was regularly issued by the Commission, the court shall enter an order that the witness appear before the Commission, at the time and place fixed in the order, and testify or produce the required books and papers. Upon failure to obey the order, the witness must be dealt with as for contempt of court.

Sec. 5. NRS 281.481 is hereby amended to read as follows:

281.481 A code of ethical standards is hereby established to govern the conduct of public officers and employees:

1. A public officer or employee shall not seek or accept any gift, service, favor, employment, engagement, emolument or economic opportunity which would tend improperly to influence a reasonable person in his position to depart from the faithful and impartial discharge of his public duties.

2. A public officer or employee shall not use his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, ~~[any member of his household,]~~ any business entity in which he has a significant pecuniary interest, or any ~~[other person.]~~ *person to whom he has a commitment in a private capacity to the interests of that person.* As used in this subsection ~~[, "unwarranted"]~~ :

(a) *"Commitment in a private capacity to the interests of that person" has the meaning ascribed to "commitment in a private capacity to the interests of others" in subsection 7 of NRS 281.501.*

(b) *"Unwarranted"* means without justification or adequate reason.

3. A public officer or employee shall not participate as an agent of government in the negotiation or execution of a contract between the government and any private business in which he has a significant pecuniary interest.

4. A public officer or employee shall not accept any salary, retainer, augmentation, expense allowance or other compensation from any private source for the performance of his duties as a public officer or employee.

5. If a public officer or employee acquires, through his public duties or relationships, any information which by law or practice is not at the time available to people generally, he shall not use the information to further the pecuniary interests of himself or any other person or business entity.

6. A public officer or employee shall not suppress any governmental report or other document because it might tend to affect unfavorably his pecuniary interests.

7. A public officer or employee, other than a member of the Legislature, shall not use governmental time, property, equipment or other facility to benefit his personal or financial interest. This subsection does not prohibit:

(a) A limited use of governmental property, equipment or other facility for personal purposes if:

(1) The public officer who is responsible for and has authority to authorize the use of such property, equipment or other facility has established a policy allowing the use or the use is necessary as a result of emergency circumstances;

(2) The use does not interfere with the performance of his public duties;

(3) The cost or value related to the use is nominal; and

(4) The use does not create the appearance of impropriety;

(b) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or

(c) The use of telephones or other means of communication if there is not a special charge for that use.

If a governmental agency incurs a cost as a result of a use that is authorized pursuant to this subsection or would ordinarily charge a member of the general public for the use, the public officer or employee shall promptly reimburse the cost or pay the charge to the governmental agency.

8. A member of the Legislature shall not:

(a) Use governmental time, property, equipment or other facility for a nongovernmental purpose or for the private benefit of himself or any other person. This paragraph does not prohibit:

(1) A limited use of state property and resources for personal purposes if:

(I) The use does not interfere with the performance of his public duties;

(II) The cost or value related to the use is nominal; and

(III) The use does not create the appearance of impropriety;

(2) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or

(3) The use of telephones or other means of communication if there is not a special charge for that use.

(b) Require or authorize a legislative employee, while on duty, to perform personal services or assist in a private activity, except:

(1) In unusual and infrequent situations where the employee's service is reasonably necessary to permit the Legislator or legislative employee to perform his official duties; or

(2) Where such service has otherwise been established as legislative policy.

9. A public officer or employee shall not attempt to benefit his personal or financial interest through the influence of a subordinate.

10. A public officer or employee shall not seek other employment or contracts through the use of his official position.

Sec. 6. NRS 281.501 is hereby amended to read as follows:

281.501 1. Except as otherwise provided in subsection 2 or 3, a public officer may vote upon a matter if the benefit or detriment accruing to him as a result of the decision either individually or in a representative capacity as a member of a general business, profession, occupation or group is not greater than that accruing to any other member of the general business, profession, occupation or group.

2. In addition to the requirements of the code of ethical standards, a public officer shall not vote upon or advocate the passage or failure of, but may otherwise participate in the consideration of a matter with respect to which the independence of judgment of a reasonable person in his situation would be materially affected by:

- (a) His acceptance of a gift or loan;
- (b) His pecuniary interest; or
- (c) His commitment in a private capacity to the interests of others.

It must be presumed that the independence of judgment of a reasonable person would not be materially affected by his pecuniary interest or his commitment in a private capacity to the interests of others where the resulting benefit or detriment accruing to him or to the other persons whose interests to which the member is committed in a private capacity is not greater than that accruing to any other member of the general business, profession, occupation or group. The presumption set forth in this subsection does not affect the applicability of the requirements set forth in subsection 3 relating to the disclosure of the pecuniary interest or commitment in a private capacity to the interests of others.

3. A public officer or employee shall not approve, disapprove, vote, abstain from voting or otherwise act upon any matter:

- (a) Regarding which he has accepted a gift or loan;
- (b) Which would reasonably be affected by his commitment in a private capacity to the interest of others; or
- (c) In which he has a pecuniary interest,

without disclosing sufficient information concerning the gift, loan, commitment or interest to inform the public of the potential effect of the action or abstention upon the person who provided the gift or loan, upon the person to whom he has a commitment, or upon his interest. Except as otherwise provided in subsection ~~6.~~ 5, such a disclosure must be made at the time the matter is considered. If the officer or employee is a member of a body which makes decisions, he shall make the disclosure in public to the Chairman and other members of the body. If the officer or employee is not a member of

such a body and holds an appointive office, he shall make the disclosure to the supervisory head of his organization or, if he holds an elective office, to the general public in the area from which he is elected. This subsection does not require a public officer to disclose any campaign contributions that the public officer reported pursuant to NRS 294A.120 or 294A.125 in a timely manner.

4. If a public officer declares to the body or committee in which the vote is to be taken that he will abstain from voting because of the requirements of this section, the necessary quorum to act upon and the number of votes necessary to act upon the matter, as fixed by any statute, ordinance or rule, is reduced as though the member abstaining were not a member of the body or committee.

5. ~~If a public officer is voting on a matter which affects public employees, he shall make a full public disclosure of any personal pecuniary interest which he may have in the matter.~~

~~—6.]~~ After a member of the Legislature makes a disclosure pursuant to subsection 3, he may file with the Director of the Legislative Counsel Bureau a written statement of his disclosure. The written statement must designate the matter to which the disclosure applies. After a Legislator files a written statement pursuant to this subsection, he is not required to disclose orally his interest when the matter is further considered by the Legislature or any committee thereof. A written statement of disclosure is a public record and must be made available for inspection by the public during the regular office hours of the Legislative Counsel Bureau.

~~[7.]~~ 6. The provisions of this section do not, under any circumstances:

(a) Prohibit a member of the legislative branch from requesting or introducing a legislative measure; or

(b) Require a member of the legislative branch to take any particular action before or while requesting or introducing a legislative measure.

~~[8.]~~ 7. As used in this section, “commitment in a private capacity to the interests of others” means a commitment to a person:

(a) Who is a member of his household;

(b) Who is related to him by blood, adoption or marriage within the third degree of consanguinity or affinity;

(c) Who employs him or a member of his household;

(d) With whom he has a substantial and continuing business relationship; or

(e) Any other commitment or relationship that is substantially similar to a commitment or relationship described in this subsection.

Sec. 7. NRS 281.511 is hereby amended to read as follows:

281.511 1. The Commission shall render an opinion interpreting the statutory ethical standards and apply the standards to a given set of facts and circumstances upon request , *on a form*

prescribed by the Commission, from a public officer or employee who is seeking guidance on questions which directly relate to the propriety of his own past, present or future conduct as an officer or employee. He may also request the Commission to hold a public hearing regarding the requested opinion. If a requested opinion relates to the propriety of his own present or future conduct, the opinion of the Commission is:

(a) Binding upon the requester as to his future conduct; and

(b) Final and subject to judicial review pursuant to NRS 233B.130, except that a proceeding regarding this review must be held in closed court without admittance of persons other than those necessary to the proceeding, unless this right to confidential proceedings is waived by the requester.

2. The Commission may render an opinion interpreting the statutory ethical standards and apply the standards to a given set of facts and circumstances:

(a) Upon request from a specialized or local ethics committee.

(b) Except as otherwise provided in this subsection, upon request from a person, if the requester ~~is~~

~~— (1) Submits all~~ *submits:*

(1) The request on a form prescribed by the Commission;
and

(2) All related evidence deemed necessary by the Executive Director and the panel to make a determination of whether there is just and sufficient cause to render an opinion in the matter. ~~is and~~

~~— (2) Signs a statement on a form prescribed by the Commission in which he affirms that:~~

~~— (I) The accusation or information contained in the request is true;~~

~~— (II) He did not submit the request in bad faith or with a vexatious purpose; and~~

~~— (III) He understands that the Commission may impose penalties upon him pursuant to NRS 281.551 if the Commission determines that the accusation or information is false and was submitted in bad faith or with a vexatious purpose.]~~

(c) Upon the Commission's own motion regarding the propriety of conduct by a public officer or employee. The Commission shall not initiate proceedings pursuant to this paragraph based solely upon an anonymous complaint.

The Commission shall not render an opinion interpreting the statutory ethical standards or apply those standards to a given set of facts and circumstances if the request is submitted by a person who is incarcerated in a correctional facility in this state.

3. Upon receipt of a request for an opinion by the Commission or upon the motion of the Commission pursuant to subsection 2, the Executive Director shall investigate the facts and circumstances

relating to the request to determine whether there is just and sufficient cause for the Commission to render an opinion in the matter. The public officer or employee that is the subject of the request may submit to the Executive Director any information relevant to the request. The Executive Director shall complete an investigation and present his recommendation relating to just and sufficient cause to the panel within ~~[15]~~ 45 days after the receipt of or the motion of the Commission for the request, unless the ~~[panel extends the time for a period not to exceed 30 days upon the request of the Executive Director for good cause shown or the request of the]~~ public officer or employee ~~[.]~~ *waives this time limit.* If the Executive Director determines after an investigation that just and sufficient cause exists for the Commission to render an opinion in the matter, he shall state such a recommendation in writing, including, without limitation, the specific evidence that supports his recommendation. If, after an investigation, the Executive Director does not determine that just and sufficient cause exists for the Commission to render an opinion in the matter, he shall state such a recommendation in writing, including, without limitation, the specific reasons for his recommendation. Within 15 days after the Executive Director has provided his recommendation in the matter to the panel, the panel shall make a final determination regarding whether just and sufficient cause exists for the Commission to render an opinion in the matter, unless the ~~[Commission extends the time for a period not to exceed 30 days upon the request of the panel for good cause shown or the request of the]~~ public officer or employee ~~[.]~~ *waives this time limit.* The panel shall not determine that there is just and sufficient cause for the Commission to render an opinion unless the panel has provided the public officer or employee an opportunity to respond to the allegations against him. The panel shall cause a record of its proceedings in each matter to be kept, and such a record must remain confidential until the panel determines whether there is just and sufficient cause for the Commission to render an opinion in the matter.

4. If the panel determines that just and sufficient cause exists for the Commission to render an opinion requested pursuant to this section, the Commission shall hold a hearing and render an opinion in the matter within 30 days after the determination of just and sufficient cause by the panel, unless the ~~[Commission extends the time for a period not to exceed 30 days for good cause shown or upon the request of the]~~ public officer or employee ~~[.]~~ *waives this time limit.*

5. Each request for an opinion that a public officer or employee submits to the Commission pursuant to subsection 1, each opinion rendered by the Commission in response to such a request and any motion, determination, evidence or record of a hearing relating to

such a request are confidential unless the public officer or employee who requested the opinion:

(a) Acts in contravention of the opinion, in which case the Commission may disclose the request for the opinion, the contents of the opinion and any motion, evidence or record of a hearing related thereto;

(b) Discloses the request for the opinion, the contents of the opinion, or any motion, evidence or record of a hearing related thereto; or

(c) Requests the Commission to disclose the request for the opinion, the contents of the opinion, or any motion, evidence or record of a hearing related thereto.

6. Except as otherwise provided in this subsection, each document in the possession of the Commission or its staff that is related to a request for an opinion regarding a public officer or employee submitted to or initiated by the Commission pursuant to subsection 2, including, without limitation, the Commission's copy of the request and all materials and information gathered in an investigation of the request, is confidential until the panel determines whether there is just and sufficient cause to render an opinion in the matter. The public officer or employee who is the subject of a request for an opinion submitted or initiated pursuant to subsection 2 may in writing authorize the Commission to make its files, material and information which are related to the request publicly available.

7. Except as otherwise provided in paragraphs (a) and (b), the proceedings of a panel are confidential until the panel determines whether there is just and sufficient cause to render an opinion. A person who:

(a) Requests an opinion from the Commission pursuant to paragraph (b) of subsection 2 may:

(1) At any time, reveal to a third party the alleged conduct of a public officer or employee underlying the request that he filed with the Commission or the substance of testimony, if any, that he gave before the Commission.

(2) After the panel determines whether there is just and sufficient cause to render an opinion in the matter, reveal to a third party the fact that he requested an opinion from the Commission.

(b) Gives testimony before the Commission may:

(1) At any time, reveal to a third party the substance of testimony that he gave before the Commission.

(2) After the panel determines whether there is just and sufficient cause to render an opinion in the matter, reveal to a third party the fact that he gave testimony before the Commission.

8. Whenever the Commission holds a hearing pursuant to this section, the Commission shall:

- (a) Notify the person about whom the opinion was requested of the place and time of the Commission's hearing on the matter;
- (b) Allow the person to be represented by counsel; and
- (c) Allow the person to hear the evidence presented to the Commission and to respond and present evidence on his own behalf.

The Commission's hearing may be held no sooner than 10 days after the notice is given unless the person agrees to a shorter time.

9. If a person who is not a party to a hearing before the Commission, including, without limitation, a person who has requested an opinion pursuant to paragraph (a) or (b) of subsection 2, wishes to ask a question of a witness at the hearing, the person must submit the question to the Executive Director in writing. The Executive Director may submit the question to the Commission if he deems the question relevant and appropriate. This subsection does not require the Commission to ask any question submitted by a person who is not a party to the proceeding.

10. If a person who requests an opinion pursuant to subsection 1 or 2 does not:

- (a) Submit all necessary information to the Commission; and
 - (b) Declare by oath or affirmation that he will testify truthfully,
- the Commission may decline to render an opinion.

11. For good cause shown, the Commission may take testimony from a person by telephone or video conference.

12. For the purposes of NRS 41.032, the members of the Commission and its employees shall be deemed to be exercising or performing a discretionary function or duty when taking an action related to the rendering of an opinion pursuant to this section.

13. A meeting or hearing that the Commission or the panel holds to receive information or evidence concerning the propriety of the conduct of a public officer or employee pursuant to this section and the deliberations of the Commission and the panel on such information or evidence are not subject to the provisions of chapter 241 of NRS.

Sec. 7.5. (Deleted by amendment.)

Sec. 8. NRS 281.551 is hereby amended to read as follows:

281.551 1. In addition to any other penalty provided by law, the Commission may impose on a public officer or employee or former public officer or employee civil penalties:

- (a) Not to exceed \$5,000 for a first willful violation of this chapter;
- (b) Not to exceed \$10,000 for a separate act or event that constitutes a second willful violation of this chapter; and
- (c) Not to exceed \$25,000 for a separate act or event that constitutes a third willful violation of this chapter.

2. In addition to other penalties provided by law, the Commission may impose a civil penalty not to exceed \$5,000 and assess an amount equal to the amount of attorney's fees and costs actually and reasonably incurred by the person about whom an opinion was requested pursuant to NRS 281.511, against a person who ~~is~~:

~~—(a) Submits to the Commission, in bad faith or with a vexatious purpose, an accusation or information that is false; or~~

~~—(b) Prevents,~~ **prevents**, interferes with or attempts to prevent or interfere with the discovery or investigation of a violation of this chapter.

3. If the Commission finds that a violation of a provision of this chapter by a public officer or employee or former public officer or employee has resulted in the realization by another person of a financial benefit, the Commission may, in addition to other penalties provided by law, require the current or former public officer or employee to pay a civil penalty of not more than twice the amount so realized.

4. In addition to any other penalty provided by law, by an affirmative vote of two-thirds of the Commission, the Commission may impose on any person who violates any provision of NRS 294A.345 or 294A.346 a civil penalty not to exceed \$5,000. The Commission shall not impose a civil penalty for a violation of NRS 294A.345 unless the Commission has made the specific findings required pursuant to subsection 7 of NRS 281.477.

5. If the Commission finds that:

(a) A willful violation of this chapter has been committed by a public officer removable from office by impeachment only, ~~the~~ **the Commission** shall file a report with the appropriate person responsible for commencing impeachment proceedings as to its finding. The report must contain a statement of the facts alleged to constitute the violation.

(b) A willful violation of this chapter has been committed by a public officer removable from office pursuant to NRS 283.440, the Commission may file a proceeding in the appropriate court for removal of the officer.

(c) Three or more willful violations have been committed by a public officer removable from office pursuant to NRS 283.440, the Commission shall file a proceeding in the appropriate court for removal of the officer.

6. An action taken by a public officer or employee or former public officer or employee relating to NRS 281.481, 281.491, 281.501 or 281.505 is not a willful violation of a provision of those sections if the public officer or employee:

(a) Relied in good faith upon the advice of the legal counsel retained by the public body which the public officer represents or by

the employer of the public employee or upon the manual published by the Commission pursuant to NRS 281.471;

(b) Was unable, through no fault of his own, to obtain an opinion from the Commission before the action was taken; and

(c) Took action that was not contrary to a prior published opinion issued by the Commission.

7. In addition to other penalties provided by law, a public employee who willfully violates a provision of NRS 281.481, 281.491, 281.501 or 281.505 is subject to disciplinary proceedings by his employer and must be referred for action in accordance to the applicable provisions governing his employment.

8. NRS 281.481 to 281.541, inclusive, do not abrogate or decrease the effect of the provisions of the Nevada Revised Statutes which define crimes or prescribe punishments with respect to the conduct of public officers or employees. If the Commission finds that a public officer or employee has committed a willful violation of this chapter which it believes may also constitute a criminal offense, the Commission shall refer the matter to the Attorney General or the district attorney, as appropriate, for a determination of whether a crime has been committed that warrants prosecution.

9. The imposition of a civil penalty pursuant to subsections 1 to 4, inclusive, is a final decision for the purposes of judicial review.

10. ~~In determining for the purposes of this section whether a person submitted an accusation or information in bad faith or with a vexatious purpose, the Commission may consider various factors, including, without limitation:~~

~~—(a) When the accusation or information was filed with or provided to the Commission;~~

~~—(b) Whether and, if applicable, in what manner the person who submitted the accusation or information publicly disseminated the accusation or information before the Commission determined whether there was just and sufficient cause to render an opinion in the matter;~~

~~—(c) Whether the accusation or information sets forth alleged facts or details that are misleading or deceptive; and~~

~~—(d) Whether the accusation or information or the conduct of the person who submitted the accusation or information:~~

~~—(1) Would be perceived as annoying or harassing by a reasonable person; or~~

~~—(2) Demonstrates conscious disregard for the process and procedures established by the Commission.~~

~~11.]~~ A finding by the Commission that a public officer or employee has violated any provision of this chapter must be supported by a preponderance of the evidence unless a greater burden is otherwise prescribed by law.

Sec. 8.3. NRS 281.552 is hereby amended to read as follows:

281.552 1. Every public officer shall acknowledge that he has received, read and understands the statutory ethical standards. The acknowledgment must be on a form prescribed by the Commission and must accompany the first statement of financial disclosure that the public officer is required to file with the Commission pursuant to *section 1.7 of this act or with the Secretary of State pursuant to* NRS 281.561.

2. The Commission *and the Secretary of State* shall retain an acknowledgment filed pursuant to this section for 6 years after the date on which the acknowledgment was filed.

3. Willful refusal to execute and file the acknowledgment required by this section constitutes nonfeasance in office and is a ground for removal pursuant to NRS 283.440.

Sec. 8.7. NRS 281.561 is hereby amended to read as follows:

281.561 1. Except as otherwise provided in subsection 2 or 3, ~~if a~~ *each* candidate for public office ~~for a public officer is~~ *who will be* entitled to receive *annual* compensation *of \$6,000 or more* for serving in the office ~~in question, he~~ *that he is seeking and each public officer who was elected to the office for which he is serving* shall file with the ~~Commission,~~ *Secretary of State*, and with the officer with whom declarations of candidacy for the office ~~in question~~ are filed, a statement of financial disclosure, as follows:

(a) A candidate for nomination, election or reelection to public office shall file a statement of financial disclosure no later than the 10th day after the last day to qualify as a candidate for the office.

(b) ~~[A public officer appointed to fill the unexpired term of an elected public officer shall file a statement of financial disclosure within 30 days after his appointment.~~

~~—(c) Every public officer, whether appointed or elected,~~ *Each public officer* shall file a statement of financial disclosure on or before ~~March 31~~ *January 15* of each year of the term, including the year the term expires.

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

2. A statement filed pursuant to one of the paragraphs of subsection 1 may be used to satisfy the requirements of another paragraph of subsection 1 if the initial statement was filed not more than 3 months before the other statement is required to be filed.

3. If a person is serving in a public office for which he is required to file a statement pursuant to subsection 1, he may use the statement he files for that initial office to satisfy the requirements of

subsection 1 for every other public office in which he is also serving.

4. A person may satisfy the requirements of subsection 1 by filing with the ~~{Commission}~~ *Secretary of State* a copy of a statement of financial disclosure that was filed pursuant to the requirements of a specialized or local ethics committee if the form of the statement has been approved by the Commission.

5. A candidate for judicial office or a judicial officer shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281.571.

6. The Secretary of State shall prescribe, by regulation, procedures for the submission of statements of financial disclosure filed by candidates or public officers pursuant to this section, maintain files of such statements and make the statements available for public inspection.

Sec. 9. NRS 281.573 is hereby amended to read as follows:

281.573 1. Except as otherwise provided in subsection 2, statements of financial disclosure required by the provisions of NRS 281.561 and 281.571 *and section 1.7 of this act* must be retained by the Commission, Secretary of State, county clerk, *or registrar of voters of the county if one was appointed pursuant to NRS 244.164*, and city clerk for 6 years after the date of filing.

2. For public officers who serve more than one term in either the same public office or more than one public office, the period prescribed in subsection 1 begins on the date of the filing of the last statement of financial disclosure for the last public office held.

Sec. 10. NRS 281.575 is hereby amended to read as follows:

281.575 The Secretary of State and each county *clerk, or the registrar of voters of the county if one was appointed pursuant to NRS 244.164*, or city clerk who receives from a candidate for public office a declaration of candidacy, acceptance of candidacy or certificate of candidacy shall give to the candidate the form prescribed by the Commission for the making of a statement of financial disclosure, accompanied by instructions on how to complete the form, where it must be filed and the time by which it must be filed.

Sec. 11. NRS 281.581 is hereby amended to read as follows:

281.581 1. A candidate for public office or public officer who *willfully* fails to file his statement of financial disclosure *or willfully fails to file his statement of financial disclosure* in a timely manner pursuant to NRS 281.561 *or section 1.7 of this act* is subject to a civil penalty and payment of court costs and attorney's

fees. Except as otherwise provided in subsection 3, the amount of the civil penalty is:

(a) If the statement is filed not more than ~~[7 days late, \$25 for each day the statement is late.]~~ *10 days after the applicable deadline set forth in subsection 1 of NRS 281.561 or subsection 1 of section 1.7 of this act, \$25.*

(b) If the statement is filed more than ~~[7 days late]~~ *10 days* but not more than ~~[15 days late, \$175 for the first 7 days, plus \$50 for each additional day the statement is late.]~~ *20 days after the applicable deadline set forth in subsection 1 of NRS 281.561 or subsection 1 of section 1.7 of this act, \$50.*

(c) If the statement is filed more than ~~[15 days late, \$575 for the first 15 days, plus \$100 for each additional day the statement is late.]~~ *20 days but not more than 30 days after the applicable deadline set forth in subsection 1 of NRS 281.561 or subsection 1 of section 1.7 of this act, \$100.*

(d) *If the statement is filed more than 30 days but not more than 45 days after the applicable deadline set forth in subsection 1 of NRS 281.561 or subsection 1 of section 1.7 of this act, \$250.*

(e) *If the statement is not filed or is filed more than 45 days after the applicable deadline set forth in subsection 1 of NRS 281.561 or subsection 1 of section 1.7 of this act, \$2,000.*

2. The Commission may, for good cause shown, waive ~~for reduce~~ the civil penalty.

3. The civil penalty imposed for a violation of this section must not exceed the annual compensation for the office for which the statement was filed.

4. The civil penalty must be recovered in a civil action brought in the name of the State of Nevada by the Commission in a court of competent jurisdiction and deposited by the Commission in the account for credit to the State General Fund in the bank designated by the State Treasurer.

5. If the Commission waives a civil penalty pursuant to subsection 2, the Commission shall:

(a) Create a record which sets forth that the civil penalty has been waived and describes the circumstances that constitute the good cause shown; and

(b) Ensure that the record created pursuant to paragraph (a) is available for review by the general public.

6. As used in this section, "willfully" means deliberately, intentionally and knowingly.

Sec. 11.5. (Deleted by amendment.)

Sec. 12. NRS 281.437 and 281.525 are hereby repealed.

Sec. 12.5. The amendatory provisions of this act do not apply to conduct that occurred before the effective date of this act, or to the jurisdiction, duties, powers or proceedings of the Commission on Ethics relating to such conduct.

Sec. 13. This act becomes effective upon passage and approval.