
SENATE BILL NO. 147—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE COMMISSION ON ETHICS)

FEBRUARY 18, 2003

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to Commission on Ethics and statements of financial disclosure. (BDR 23-500)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: 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; 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.



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

- 1 **Section 1.** Chapter 281 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 1.3 and 1.7 of this act.
- 3 **Sec. 1.3.** *1. A list of each public officer who is required to*
4 *file a statement of financial disclosure pursuant to NRS 281.561*
5 *or section 1.7 of this act must be submitted electronically to the*
6 *Commission and to the Secretary of State, in a form prescribed by*
7 *the Commission, on or before December 1 of each year by:*
8 *(a) Each county clerk for all public officers of the county and*
9 *other local governments within the county other than cities;*
10 *(b) Each city clerk for all public officers of the city;*
11 *(c) The Director of the Legislative Counsel Bureau for all*
12 *public officers of the Legislative Branch; and*
13 *(d) The Chief of the Budget Division of the Department of*
14 *Administration for all public officers of the Executive Branch.*
- 15 2. The Secretary of State, each county clerk, or the registrar
16 of voters of the county if one was appointed pursuant to NRS
17 244.164, and each city clerk shall submit electronically to the
18 Commission, and each county clerk, or the registrar of voters of
19 the county if one was appointed pursuant to NRS 244.164, and
20 each city clerk shall submit electronically to the Secretary of State,
21 in a form prescribed by the Commission, a list of each candidate
22 for public office who filed a declaration of candidacy or
23 acceptance of candidacy with that officer within 10 days after the
24 last day to qualify as a candidate for the applicable office.
- 25 **Sec. 1.7.** *1. Except as otherwise provided in subsection 2 or*
26 *3, each public officer who was appointed to the office for which he*
27 *is serving and who is entitled to receive annual compensation of*
28 *\$6,000 or more for serving in that office shall file with the*
29 *Commission, and with the officer with whom declarations of*
30 *candidacy for the office are filed, a statement of financial*
31 *disclosure, as follows:*
32 *(a) A public officer appointed to fill the unexpired term of an*
33 *elected public officer shall file a statement of financial disclosure*
34 *within 30 days after his appointment.*
35 *(b) Each public officer appointed to fill an office shall file a*
36 *statement of financial disclosure on or before January 15 of each*
37 *year of the term, including the year the term expires.*
38 *(c) A public officer who leaves office on a date other than the*
39 *expiration of his term or anniversary of his appointment shall file*
40 *a statement of financial disclosure within 60 days after leaving*
41 *office.*



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

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

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

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

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

23 281.431 As used in NRS 281.411 to 281.581, inclusive, *and*
24 *sections 1.3 and 1.7 of this act*, unless the context otherwise
25 requires, the words and terms defined in NRS 281.432 to 281.4375,
26 inclusive, have the meanings ascribed to them in those sections.

27 **Sec. 2.5.** (Deleted by amendment.)

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

29 281.4635 1. In addition to any other duties imposed upon
30 him, the Executive Director shall:

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

33 (b) Receive requests for opinions pursuant to NRS 281.511,
34 294A.345 or 294A.346.

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

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

44 (e) Upon the request of any public officer or the employer of a
45 public employee, conduct training on the requirements of this



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1 chapter, the rules and regulations adopted by the Commission and
2 previous opinions of the Commission. In any such training, the
3 Executive Director shall emphasize that he is not a member of the
4 Commission and that only the Commission may issue opinions
5 concerning the application of the statutory ethical standards to any
6 given set of facts and circumstances. The Commission ~~{shall}~~ *may*
7 charge a reasonable fee to cover the costs of training provided by
8 the Executive Director pursuant to this subsection.

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

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

- 14 (a) The administration of the affairs of the Commission;
15 (b) The review of statements of financial disclosure; and
16 (c) The investigation of matters under the jurisdiction of the
17 Commission.

18 **Sec. 3.3.** (Deleted by amendment.)

19 **Sec. 3.7.** NRS 281.471 is hereby amended to read as follows:
20 281.471 The Commission shall:

21 1. Adopt procedural regulations:

- 22 (a) To facilitate the receipt of inquiries by the Commission;
23 (b) For the filing of a request for an opinion with the
24 Commission;
25 (c) For the withdrawal of a request for an opinion by the person
26 who filed the request; and
27 (d) To facilitate the prompt rendition of opinions by the
28 Commission.

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

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

40 ~~{3.}~~ 4. Cause the making of such investigations as are
41 reasonable and necessary for the rendition of its opinions pursuant
42 to this chapter.

43 ~~{4.}~~ 5. Inform the Attorney General or district attorney of all
44 cases of noncompliance with the requirements of this chapter.



1 ~~[5.]~~ 6. Recommend to the Legislature such further legislation
2 as the Commission considers desirable or necessary to promote and
3 maintain high standards of ethical conduct in government.

4 ~~[6.]~~ 7. Publish a manual for the use of public officers and
5 employees that contains:

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

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

12 (c) An abstract of the requirements of this chapter.
13 The Legislative Counsel shall prepare annotations to this chapter for
14 inclusion in the Nevada Revised Statutes based on the abstracts and
15 published opinions of the Commission.

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

17 281.475 1. The Chairman and Vice Chairman of the
18 Commission may administer oaths.

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

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

30 (a) His appearance as a witness; or

31 (b) His production of any books and papers relating to the
32 request for an opinion.

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



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

5 (a) Due notice has been given of the time and place of
6 attendance of the witness or the production of the books and papers;

7 (b) The witness has been subpoenaed by the Commission
8 pursuant to this section; and

9 (c) The witness has failed or refused to attend or produce the
10 books and papers required by the subpoena before the Commission,
11 or has refused to answer questions propounded to him, and asking
12 for an order of the court compelling the witness to attend and testify
13 or produce the books and papers before the Commission.

14 6. Except as otherwise provided in this subsection, upon such a
15 petition, the court shall enter an order directing the witness to appear
16 before the court at a time and place to be fixed by the court in its
17 order, the time to be not more than 10 days after the date of the
18 order, and then and there show cause why he has not attended,
19 testified or produced the books or papers before the Commission. If
20 the witness has been subpoenaed by the Commission in response to
21 a request for an opinion filed pursuant to NRS 294A.345 or
22 294A.346, the court shall direct the witness to appear before the
23 court as expeditiously as possible to allow the Commission to render
24 its opinion within the time required by NRS 281.477. A certified
25 copy of the order must be served upon the witness.

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

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

33 281.481 A code of ethical standards is hereby established to
34 govern the conduct of public officers and employees:

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

40 2. A public officer or employee shall not use his position in
41 government to secure or grant unwarranted privileges, preferences,
42 exemptions or advantages for himself, ~~any member of his~~
43 ~~household,~~ any business entity in which he has a significant
44 pecuniary interest, or any ~~other person,~~ *person to whom he has a*



1 *commitment in a private capacity to the interests of that person.* As
2 used in this subsection ~~["unwarranted"]~~ :

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

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

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

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

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

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

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

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

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

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

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

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

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

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

43 If a governmental agency incurs a cost as a result of a use that is
44 authorized pursuant to this subsection or would ordinarily charge a
45 member of the general public for the use, the public officer or



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1 employee shall promptly reimburse the cost or pay the charge to the
2 governmental agency.

3 8. A member of the Legislature shall not:

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

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

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

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

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

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

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

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

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

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

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

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

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

32 281.501 1. Except as otherwise provided in subsection 2 or 3,
33 a public officer may vote upon a matter if the benefit or detriment
34 accruing to him as a result of the decision either individually or in a
35 representative capacity as a member of a general business,
36 profession, occupation or group is not greater than that accruing to
37 any other member of the general business, profession, occupation or
38 group.

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

45 (a) His acceptance of a gift or loan;



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- 1 (b) His pecuniary interest; or
2 (c) His commitment in a private capacity to the interests of
3 others.

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

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

17 (a) Regarding which he has accepted a gift or loan;

18 (b) Which would reasonably be affected by his commitment in a
19 private capacity to the interest of others; or

20 (c) In which he has a pecuniary interest,
21 without disclosing sufficient information concerning the gift, loan,
22 commitment or interest to inform the public of the potential effect of
23 the action or abstention upon the person who provided the gift or
24 loan, upon the person to whom he has a commitment, or upon his
25 interest. Except as otherwise provided in subsection ~~6.~~ 5, such a
26 disclosure must be made at the time the matter is considered. If the
27 officer or employee is a member of a body which makes decisions,
28 he shall make the disclosure in public to the Chairman and other
29 members of the body. If the officer or employee is not a member of
30 such a body and holds an appointive office, he shall make the
31 disclosure to the supervisory head of his organization or, if he holds
32 an elective office, to the general public in the area from which he is
33 elected. This subsection does not require a public officer to disclose
34 any campaign contributions that the public officer reported pursuant
35 to NRS 294A.120 or 294A.125 in a timely manner.

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

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



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

11 ~~7.]~~ 6. The provisions of this section do not, under any
12 circumstances:

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

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

18 ~~8.]~~ 7. As used in this section, "commitment in a private
19 capacity to the interests of others" means a commitment to a person:

20 (a) Who is a member of his household;

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

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

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

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

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

29 281.511 1. The Commission shall render an opinion
30 interpreting the statutory ethical standards and apply the standards to
31 a given set of facts and circumstances upon request *, on a form*
32 *prescribed by the Commission*, from a public officer or employee
33 who is seeking guidance on questions which directly relate to the
34 propriety of his own past, present or future conduct as an officer or
35 employee. He may also request the Commission to hold a public
36 hearing regarding the requested opinion. If a requested opinion
37 relates to the propriety of his own present or future conduct, the
38 opinion of the Commission is:

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

40 (b) Final and subject to judicial review pursuant to NRS
41 233B.130, except that a proceeding regarding this review must be
42 held in closed court without admittance of persons other than those
43 necessary to the proceeding, unless this right to confidential
44 proceedings is waived by the requester.



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

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

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

7 ~~— (1) Submits all~~ *submits:*

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

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

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

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

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

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

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

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

31 3. Upon receipt of a request for an opinion by the Commission
32 or upon the motion of the Commission pursuant to subsection 2, the
33 Executive Director shall investigate the facts and circumstances
34 relating to the request to determine whether there is just and
35 sufficient cause for the Commission to render an opinion in the
36 matter. The public officer or employee that is the subject of the
37 request may submit to the Executive Director any information
38 relevant to the request. The Executive Director shall complete an
39 investigation and present his recommendation relating to just and
40 sufficient cause to the panel within ~~15~~ *45* days after the receipt of
41 or the motion of the Commission for the request, unless the ~~panel~~
42 ~~extends the time for a period not to exceed 30 days upon the request~~
43 ~~of the Executive Director for good cause shown or the request of~~
44 ~~the~~ public officer or employee ~~is~~ *waives this time limit.* If the
45 Executive Director determines after an investigation that just and



1 sufficient cause exists for the Commission to render an opinion in
2 the matter, he shall state such a recommendation in writing,
3 including, without limitation, the specific evidence that supports his
4 recommendation. If, after an investigation, the Executive Director
5 does not determine that just and sufficient cause exists for the
6 Commission to render an opinion in the matter, he shall state such a
7 recommendation in writing, including, without limitation, the
8 specific reasons for his recommendation. Within 15 days after the
9 Executive Director has provided his recommendation in the matter
10 to the panel, the panel shall make a final determination regarding
11 whether just and sufficient cause exists for the Commission to
12 render an opinion in the matter, unless the ~~[Commission extends the~~
13 ~~time for a period not to exceed 30 days upon the request of the panel~~
14 ~~for good cause shown or the request of the]~~ public officer or
15 employee ~~[.]~~ *waives this time limit.* The panel shall not determine
16 that there is just and sufficient cause for the Commission to render
17 an opinion unless the panel has provided the public officer or
18 employee an opportunity to respond to the allegations against him.
19 The panel shall cause a record of its proceedings in each matter to
20 be kept, and such a record must remain confidential until the panel
21 determines whether there is just and sufficient cause for the
22 Commission to render an opinion in the matter.

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

31 5. Each request for an opinion that a public officer or employee
32 submits to the Commission pursuant to subsection 1, each opinion
33 rendered by the Commission in response to such a request and any
34 motion, determination, evidence or record of a hearing relating to
35 such a request are confidential unless the public officer or employee
36 who requested the opinion:

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

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



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

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

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

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

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

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

30 (b) Gives testimony before the Commission may:

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

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

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

38 (a) Notify the person about whom the opinion was requested of
39 the place and time of the Commission's hearing on the matter;

40 (b) Allow the person to be represented by counsel; and

41 (c) Allow the person to hear the evidence presented to the
42 Commission and to respond and present evidence on his own
43 behalf.

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



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1 9. If a person who is not a party to a hearing before the
2 Commission, including, without limitation, a person who has
3 requested an opinion pursuant to paragraph (a) or (b) of subsection
4 2, wishes to ask a question of a witness at the hearing, the person
5 must submit the question to the Executive Director in writing. The
6 Executive Director may submit the question to the Commission if he
7 deems the question relevant and appropriate. This subsection does
8 not require the Commission to ask any question submitted by a
9 person who is not a party to the proceeding.

10 10. If a person who requests an opinion pursuant to subsection
11 1 or 2 does not:

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

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

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

22 13. A meeting or hearing that the Commission or the panel
23 holds to receive information or evidence concerning the propriety of
24 the conduct of a public officer or employee pursuant to this section
25 and the deliberations of the Commission and the panel on such
26 information or evidence are not subject to the provisions of chapter
27 241 of NRS.

28 **Sec. 7.5.** (Deleted by amendment.)

29 2. ~~Except as otherwise provided in NRS 281.477, 294A.345~~
30 ~~and 294A.346, the~~ *The* Commission's opinions may not include
31 guidance to a public officer or employee on questions regarding the
32 provisions of chapter 294A of NRS.

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

34 281.551 1. In addition to any other penalty provided by law,
35 the Commission may impose on a public officer or employee or
36 former public officer or employee civil penalties:

37 (a) Not to exceed \$5,000 for a first willful violation of this
38 chapter;

39 (b) Not to exceed \$10,000 for a separate act or event that
40 constitutes a second willful violation of this chapter; and

41 (c) Not to exceed \$25,000 for a separate act or event that
42 constitutes a third willful violation of this chapter.

43 2. In addition to other penalties provided by law, the
44 Commission may impose a civil penalty not to exceed \$5,000 and
45 assess an amount equal to the amount of attorney's fees and costs



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1 actually and reasonably incurred by the person about whom an
2 opinion was requested pursuant to NRS 281.511, against a person
3 who ~~is~~:

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

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

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

16 4. In addition to any other penalty provided by law, by an
17 affirmative vote of two-thirds of the Commission, the Commission
18 may impose on any person who violates any provision of NRS
19 294A.345 or 294A.346 a civil penalty not to exceed \$5,000. The
20 Commission shall not impose a civil penalty for a violation of NRS
21 294A.345 unless the Commission has made the specific findings
22 required pursuant to subsection 7 of NRS 281.477.

23 5. If the Commission finds that:

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

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

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

38 6. An action taken by a public officer or employee or former
39 public officer or employee relating to NRS 281.481, 281.491,
40 281.501 or 281.505 is not a willful violation of a provision of those
41 sections if the public officer or employee:

42 (a) Relied in good faith upon the advice of the legal counsel
43 retained by the public body which the public officer represents or by
44 the employer of the public employee or upon the manual published
45 by the Commission pursuant to NRS 281.471;



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

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

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

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

19 9. The imposition of a civil penalty pursuant to subsections 1 to
20 4, inclusive, is a final decision for the purposes of judicial review.

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

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

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

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

34 ~~—(d) Whether the accusation or information or the conduct of the~~
35 ~~person who submitted the accusation or information;~~

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

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

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



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

2 281.552 1. Every public officer shall acknowledge that he
3 has received, read and understands the statutory ethical standards.
4 The acknowledgment must be on a form prescribed by the
5 Commission and must accompany the first statement of financial
6 disclosure that the public officer is required to file with the
7 Commission pursuant to *section 1.7 of this act or with the*
8 *Secretary of State pursuant to* NRS 281.561.

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

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

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

16 281.561 1. Except as otherwise provided in subsection 2 or 3,
17 ~~if a~~ *each* candidate for public office ~~for a public officer is~~ *who*
18 *will be* entitled to receive *annual* compensation *of \$6,000 or more*
19 for serving in the office ~~in question, he~~ *that he is seeking and*
20 *each public officer who was elected to the office for which he is*
21 *serving* shall file with the ~~Commission,~~ *Secretary of State*, and
22 with the officer with whom declarations of candidacy for the office
23 ~~in question~~ are filed, a statement of financial disclosure, as
24 follows:

25 (a) A candidate for nomination, election or reelection to public
26 office shall file a statement of financial disclosure no later than the
27 10th day after the last day to qualify as a candidate for the office.

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

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

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

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

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



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

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

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

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

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

20 281.573 1. Except as otherwise provided in subsection 2,
21 statements of financial disclosure required by the provisions of NRS
22 281.561 and 281.571 *and section 1.7 of this act* must be retained by
23 the Commission, Secretary of State, county clerk, *or registrar of*
24 *voters of the county if one was appointed pursuant to NRS*
25 *244.164*, and city clerk for 6 years after the date of filing.

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

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

31 281.575 The Secretary of State and each county *clerk, or the*
32 *registrar of voters of the county if one was appointed pursuant to*
33 *NRS 244.164*, or city clerk who receives from a candidate for public
34 office a declaration of candidacy, acceptance of candidacy or
35 certificate of candidacy shall give to the candidate the form
36 prescribed by the Commission for the making of a statement of
37 financial disclosure, accompanied by instructions on how to
38 complete the form, where it must be filed and the time by which it
39 must be filed.

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

41 281.581 1. A candidate for public office or public officer
42 who *willfully* fails to file his statement of financial disclosure *or*
43 *willfully fails to file his statement of financial disclosure* in a
44 timely manner pursuant to NRS 281.561 *or section 1.7 of this act* is
45 subject to a civil penalty and payment of court costs and attorney's



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

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

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

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

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

20 (e) *If the statement is not filed or is filed more than 45 days*
21 *after the applicable deadline set forth in subsection 1 of NRS*
22 *281.561 or subsection 1 of section 1.7 of this act, \$2,000.*

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

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

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

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

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

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

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

42 **Sec. 11.5.** (Deleted by amendment.)

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

44 **Sec. 12.5.** The amendatory provisions of this act do not apply
45 to conduct that occurred before the effective date of this act, or to



- 1 the jurisdiction, duties, powers or proceedings of the Commission
- 2 on Ethics relating to such conduct.
- 3 **Sec. 13.** This act becomes effective upon passage and
- 4 approval.

TEXT OF REPEALED SECTIONS

281.437 “Vexatious” defined. “Vexatious” means lacking justification and intended to harass.

281.525 Use of false or misleading statement regarding opinion of Commission; penalty.

1. It is unlawful for any person to make, use, publish or disseminate any statement which is known or through the exercise of reasonable care should be known to be false, deceptive or misleading in order to induce the Commission to render an opinion or to take any action related to the rendering of an opinion.

2. Any person who knowingly violates the provisions of subsection 1 is guilty of a misdemeanor.

3. The Commission shall inform the Attorney General or the district attorney of any case involving a violation of subsection 1.

