

SENATE BILL NO. 429—SENATOR BEERS

MARCH 19, 2007

Referred to Committee on Government Affairs

SUMMARY—Enacts provisions relating to labor organizations that represent public employees and members thereof. (BDR 23-1325)

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 public employees; setting forth the rights of the members of labor organizations that represent public employees; establishing the duties of such organizations and the officers, employees and representatives of such organizations; prohibiting certain acts; providing penalties; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

**Sections 10-15** of this bill set forth the basic rights of public employees who are members of labor organizations. **Sections 16, 17 and 31** of this bill provide for the duties of such organizations toward their members.

**Sections 18, 19 and 29** of this bill require, with certain exceptions, labor organizations that represent public employees to file detailed financial statements periodically with the Labor Commissioner. **Section 20** of this bill requires each officer and employee of such an organization to also file detailed financial statements periodically with the Labor Commissioner. **Section 22** of this bill provides that this information submitted to the Labor Commissioner is public information. **Section 23** of this bill requires persons obligated to file such reports with the Labor Commissioner to maintain records of the information detailed in the reports.

**Section 28** of this bill provides penalties for violations of provisions of this bill. **Section 31** of this bill authorizes members of labor organizations that represent public employees to bring actions against the officers, employees or representatives of the organizations in certain circumstances. **Section 32** of this bill requires certain officers, employees and representatives of those organizations to file a surety bond with the Labor Commissioner. **Section 33** of this bill requires surety companies that issue those bonds to file certain reports with the Labor Commissioner. **Section 34** of this bill prohibits certain loans to officers or employees of those organizations.



\* S B 4 2 9 \*

21 **Section 35** of this bill prohibits persons convicted of certain crimes from acting in a  
22 certain capacity in or for those organizations.

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

1     **Section 1.** Chapter 287 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 36, inclusive, of this  
3 act.

4     **Sec. 2.** *As used in sections 2 to 36, inclusive, of this act,*  
5 *unless the context otherwise requires, the words and terms defined*  
6 *in sections 3 to 8, inclusive, of this act, have the meanings*  
7 *ascribed to them in those sections.*

8     **Sec. 3.** *“Employee organization” means an organization*  
9 *whose members are governmental employees and has as one of its*  
10 *purposes the improvement of the terms and conditions of*  
11 *employment of its members.*

12     **Sec. 4.** *“Governmental employee” means any person*  
13 *employed by a governmental employer. The term:*

14     1. *Includes any person whose work has ceased because of*  
15 *any unfair labor practice or because of exclusion or expulsion*  
16 *from an employee organization in or for any manner or reason*  
17 *that is inconsistent with the provisions of sections 2 to 36,*  
18 *inclusive, of this act; and*

19     2. *Does not include a person employed by an employee*  
20 *organization.*

21     **Sec. 5.** *“Governmental employer” means this State and any*  
22 *political subdivision of this State or any public or quasi-public*  
23 *corporation organized under the laws of this State and includes,*  
24 *without limitation, counties, cities, unincorporated towns, school*  
25 *districts, charter schools, hospital districts, irrigation districts and*  
26 *other special districts.*

27     **Sec. 6.** *“Local governmental employee organization” means*  
28 *an employee organization whose members are not employed by*  
29 *this State.*

30     **Sec. 7.** *“Member” includes any person who has fulfilled the*  
31 *requirements for membership in an employee organization and*  
32 *who has not voluntarily withdrawn membership from the*  
33 *organization and has not been expelled or suspended from*  
34 *membership in the organization after proceedings in accordance*  
35 *with the lawful provisions of the constitution and bylaws of the*  
36 *organization.*

37     **Sec. 8.** *“Trust in which an employee organization is*  
38 *interested” means a trust or other fund or organization which was*  
39 *created or established by an employee organization and whose*



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1 *primary purpose is to provide benefits for the members of the*  
2 *employee organization or their beneficiaries.*

3 **Sec. 9.** *Subject to reasonable rules and regulations in the*  
4 *constitution and bylaws of an employee organization, every*  
5 *member of an employee organization has equal rights and*  
6 *privileges within the organization to:*

7 *1. Nominate candidates;*

8 *2. Vote in elections or referenda of the employee*  
9 *organization;*

10 *3. Attend membership meetings; and*

11 *4. Participate in the deliberations and voting upon the*  
12 *business of the meetings.*

13 **Sec. 10.** *1. Every member of an employee organization has*  
14 *the right to:*

15 *(a) Meet and assemble freely with other members;*

16 *(b) Express any views, arguments or opinions; and*

17 *(c) Express at meetings of the employee organization views*  
18 *upon any business properly before the meeting, subject to the*  
19 *established and reasonable rules of the employee organization*  
20 *pertaining to the conduct of meetings.*

21 *2. This section must not be construed to impair the right of*  
22 *an employee organization to adopt and enforce reasonable rules*  
23 *as to the responsibility of each member toward the employee*  
24 *organization as an institution and to the responsibility of each*  
25 *member to refrain from conduct that would interfere with the*  
26 *performance by the employee organization of the legal or*  
27 *contractual obligations of the employee organization.*

28 **Sec. 11.** *The dues and initiation fees payable by members of*  
29 *an employee organization that are in effect on October 1, 2007,*  
30 *must not be increased, and a general or special assessment must*  
31 *not be levied upon the members, except:*

32 *1. In the case of a local governmental employee organization:*

33 *(a) By majority vote by secret ballot of the members in good*  
34 *standing voting at a general or special membership meeting, after*  
35 *reasonable notice of the intention to vote upon the increase; or*

36 *(b) By majority vote of the members in good standing voting in*  
37 *a membership referendum conducted by secret ballot; or*

38 *2. In the case of an employee organization other than a local*  
39 *governmental employee organization:*

40 *(a) By majority vote of the delegates voting at:*

41 *(1) A regular convention; or*

42 *(2) A special convention of the employee organization held*  
43 *upon written notice of not less than 30 days to the principal office*  
44 *of each local or constituent employee organization entitled to such*  
45 *notice;*



1 (b) By majority vote of the members in good standing of the  
2 employee organization voting in a membership referendum  
3 conducted by secret ballot; or

4 (c) By majority vote of the members of the executive board or  
5 similar governing body of the employee organization, pursuant to  
6 express authority contained in the constitution and bylaws of the  
7 employee organization, if such action on the part of the executive  
8 board or similar governing body is effective only until the next  
9 regular convention of the employee organization.

10 **Sec. 12.** 1. Except as otherwise provided in subsection 2, an  
11 employee organization shall not limit the right of any member:

12 (a) To institute an action in any court or in any proceeding  
13 before any administrative agency, regardless of whether the  
14 employee organization or its officers are named as defendants or  
15 respondents in such an action or proceeding;

16 (b) To appear as a witness in any judicial, administrative or  
17 legislative proceeding; or

18 (c) To petition any Legislature or to communicate with any  
19 Legislator.

20 2. An employee organization may require a member to  
21 exhaust reasonable hearing procedures within the organization  
22 before instituting legal or administrative proceedings against the  
23 employee organization or any officer of the employee  
24 organization.

25 3. A governmental employer shall not directly or indirectly  
26 finance, encourage or participate in, except as a party, any action,  
27 proceeding, appearance or petition of a member of an employee  
28 organization.

29 4. As used in this section, "reasonable hearing procedures"  
30 means procedures lasting not more than 4 months from the time  
31 procedures are first initiated by a member of an employee  
32 organization.

33 **Sec. 13.** 1. Except as otherwise provided in subsection 2, an  
34 employee organization or an officer of an employee organization  
35 shall not fine, suspend, expel or otherwise discipline a member of  
36 the employee organization.

37 2. An employee organization or an officer of an employee  
38 organization may fine, suspend, expel or otherwise discipline a  
39 member of the employee organization for nonpayment of dues.

40 3. Any provision of the constitution and bylaws of an  
41 employee organization that is inconsistent with the provisions of  
42 this section shall be deemed to have no force or effect.

43 **Sec. 14.** 1. Any person aggrieved by a violation of the  
44 provisions of sections 2 to 36, inclusive, of this act may bring an  
45 action for such relief as may be appropriate.



1       2. *An action brought pursuant to this section must be brought*  
2 *in the district court of the county:*

3       (a) *In which the alleged violation occurred; or*

4       (b) *In which the employee organization maintains its principal*  
5 *office.*

6       **Sec. 15.** *The provisions of sections 2 to 36, inclusive, of this*  
7 *act must not be construed to limit the rights and remedies of any*  
8 *member of an employee organization under any law or before any*  
9 *court or other tribunal, or under the constitution and bylaws of*  
10 *any employee organization.*

11       **Sec. 16.** *1. The secretary or corresponding principal officer*  
12 *of each local governmental employee organization shall forward a*  
13 *copy of each collective bargaining agreement made by the*  
14 *employee organization with any governmental employer to any*  
15 *governmental employee who requests a copy and whose rights as a*  
16 *governmental employee are directly affected by the agreement.*

17       2. *The secretary or corresponding principal officer of each*  
18 *employee organization that is not a local governmental employee*  
19 *organization shall:*

20       (a) *Forward a copy of each collective bargaining agreement*  
21 *made by the employee organization with any governmental*  
22 *employer to each constituent unit of the employee organization*  
23 *that has members whose rights as governmental employees are*  
24 *directly affected by the agreement;*

25       (b) *Maintain a copy of the agreement at the principal office of*  
26 *the employee organization; and*

27       (c) *Make a copy of the agreement available for inspection by*  
28 *any member or by any governmental employee whose rights as a*  
29 *governmental employee are directly affected by the agreement.*

30       **Sec. 17.** *Each employee organization shall inform its*  
31 *members of the provisions of sections 2 to 36, inclusive, of this act.*

32       **Sec. 18.** *Each employee organization shall:*

33       1. *Adopt a constitution and bylaws.*

34       2. *Within 10 days after adoption of the constitution and*  
35 *bylaws, file with the Labor Commissioner a copy of the*  
36 *constitution and bylaws and a report which is signed by the*  
37 *president and secretary or corresponding principal officers of*  
38 *the employee organization and which contains:*

39       (a) *The name and mailing address of the employee*  
40 *organization and the address at which the employee organization*  
41 *maintains its principal office or keeps the records required*  
42 *pursuant to sections 2 to 36, inclusive, of this act;*

43       (b) *The name and title of each of its officers;*



(c) *The initiation fees or fees required from a new or transferred member and fees for work permits required by the employee organization;*

(d) *The regular dues or fees or other periodic payments required to remain a member of the employee organization; and*

(e) *Detailed statements, or references to specific provisions of documents filed pursuant to this subsection that contain detailed statements, demonstrating the provisions made and the procedures followed with respect to:*

(1) *Qualifications for or restrictions on membership in the employee organization;*

(2) *Levying of assessments;*

(3) *Participation in insurance or other benefit plans;*

(4) *Authorization for disbursement of funds in the employee organization;*

(5) *Auditing financial transactions of the employee organization;*

(6) *Procedures for calling regular and special meetings;*

(7) *Procedures for selecting stewards and any representatives to other bodies comprising representatives of employee organizations, including, without limitation, employee organizations in the private sector;*

(8) *Procedures for electing, appointing or otherwise selecting officers;*

(9) *Procedures for disciplining or removing officers or agents;*

(10) *Procedures and grounds for imposing fines on, suspending or expelling members, including, without limitation, provisions made for notice, hearing and judgment on the evidence and appeals;*

(11) *Authorizing bargaining demands;*

(12) *Ratifying contract terms;*

(13) *Authorizing strikes; and*

(14) *Issuing work permits.*

3. *Any change in the information required from an employee organization pursuant to paragraph (e) of subsection 2 must be reported to the Labor Commissioner at the time the employee organization files with the Commissioner the report required pursuant to section 19 of this act.*

**Sec. 19. 1.** *Each employee organization shall file with the Labor Commissioner a financial report signed by the president and treasurer or corresponding principal officers of the employee organization that contains, in such detail as may be necessary to disclose accurately its financial condition and operations for the preceding fiscal year, information concerning:*



1 (a) Assets and liabilities at the beginning and end of the  
2 preceding fiscal year;

3 (b) Receipts of any kind and the sources of the receipts;

4 (c) Salary, allowances and other direct or indirect  
5 disbursements, including reimbursed expenses, to each officer and  
6 to each employee of the employee organization who, during the  
7 preceding fiscal year, received a total of more than \$10,000 from  
8 the employee organization and from any other employee  
9 organization with which it is affiliated or which is affiliated with  
10 the same parent body as the employee organization to which the  
11 officer or employee belongs;

12 (d) Direct and indirect loans made to any officer, employee or  
13 member of the employee organization which totaled more than  
14 \$250 during the preceding fiscal year and a statement of the  
15 purpose of the loans, any security provided for the loans and  
16 arrangements for repayment of the loans;

17 (e) Direct and indirect loans made to any business enterprise  
18 during the preceding fiscal year and a statement of the purpose of  
19 the loans, any security provided for the loans and arrangements  
20 for repayment of the loans; and

21 (f) Any other disbursements made by the employee  
22 organization and a statement of the purpose of the disbursements,  
23 in such categories as the Labor Commissioner may prescribe.

24 2. The statement required pursuant to this section must be  
25 filed initially not later than 90 days after the employee  
26 organization commences representation of members in this State  
27 and then annually not later than 90 days after the end of each  
28 fiscal year.

29 3. Each employee organization shall make available to each  
30 of its members the information included in the report required  
31 pursuant to this section.

32 **Sec. 20.** 1. Each officer and employee of an employee  
33 organization shall file annually with the Labor Commissioner a  
34 signed report listing and describing for the preceding fiscal year:

35 (a) Any stock, bond, security or other interest, legal or  
36 equitable, directly or indirectly held in or derived from the  
37 employee organization by the officer or employee and the spouse  
38 and each dependent child of the officer or employee;

39 (b) Any income or any other benefit with monetary value,  
40 including, without limitation, reimbursement for expenses directly  
41 or indirectly held in or derived from the employee organization by  
42 the officer or employee and the spouse and each dependent child  
43 of the officer or employee;





1 (c) Any business, any part of which consists of buying from, or  
2 selling or leasing directly or indirectly to, or otherwise dealing  
3 with the employee organization;

4 (d) Except as otherwise provided by subsection 2, any direct or  
5 indirect business transaction or arrangement between the officer  
6 or employee or the spouse or dependent child of the officer or  
7 employee and any governmental employer whose employees the  
8 employee organization represents or is actively seeking to  
9 represent; and

10 (e) Any payment of money or other item of value, including,  
11 without limitation, reimbursement for expenses, received by the  
12 officer or employee or the spouse or dependent child of the officer  
13 or employee directly or indirectly from a person acting as a labor  
14 relations consultant to any governmental employer.

15 2. Work performed and payments and benefits received as a  
16 bona fide employee of a governmental employer and purchases  
17 and sales of goods or services in the regular course of business at  
18 prices generally available to any governmental employee may be  
19 omitted from a report submitted pursuant to this section.

20 3. The report required pursuant to this section must be filed  
21 initially not later than 90 days after the person becomes an officer  
22 or employee of an employee organization and then annually not  
23 later than 90 days after the end of each fiscal year in which the  
24 person is an officer or employee of an employee organization.

25 4. This section must not be construed to require an officer or  
26 employee of an employee organization to report bona fide  
27 investments in or income derived from:

28 (a) Securities traded on a securities exchange registered as a  
29 national securities exchange pursuant to the Securities Exchange  
30 Act of 1934, as amended, 15 U.S.C. §§ 78a et seq.;

31 (b) Shares in an investment company registered under the  
32 Investment Company Act of 1940, as amended, 15 U.S.C. §§ 80a-1  
33 et seq.; or

34 (c) Securities of a public utility holding company.

35 5. As used in this section:

36 (a) "Dependent child" has the meaning ascribed to it in  
37 NRS 425.300.

38 (b) "Employee of an employee organization" does not include  
39 a person performing exclusively clerical or custodial services.

40 **Sec. 21.** The provisions of sections 2 to 36, inclusive, of this  
41 act must not be construed to require an attorney licensed and  
42 admitted to practice law in the courts of this State, another state or  
43 the District of Columbia to include, in any report or document  
44 required to be filed pursuant to the provisions of sections 2 to 36,  
45 inclusive, of this act, any information that was lawfully





1 *communicated to the attorney by a client in the course of a*  
2 *legitimate attorney-client relationship.*

3 **Sec. 22.** 1. *The contents of each report and document filed*  
4 *with the Labor Commissioner pursuant to sections 18, 19, 20 and*  
5 *29 of this act are public information.*

6 2. *The Labor Commissioner may:*

7 (a) *Publish any information and data obtained pursuant to*  
8 *sections 18, 19, 20 and 29 of this act; and*

9 (b) *Use any information and data obtained pursuant to*  
10 *sections 18, 19, 20 and 29 of this act for statistical research and*  
11 *studies that may be compiled and published.*

12 3. *The Labor Commissioner shall not require a person to*  
13 *provide to the Labor Commissioner any information included in a*  
14 *report filed by the person with the United States Secretary of*  
15 *Labor pursuant to 29 U.S.C. §§ 431 et seq., if the report is*  
16 *provided to the Labor Commissioner pursuant to 29 U.S.C. §*  
17 *435(c).*

18 **Sec. 23.** *Each person required to file any report or document*  
19 *pursuant to section 18, 19, 20 or 29 of this act shall:*

20 1. *Maintain records on the matters required to be reported*  
21 *which:*

22 (a) *Provide in sufficient detail the necessary basic information*  
23 *and data from which the documents filed with the Labor*  
24 *Commissioner may be verified, explained, clarified or checked for*  
25 *accuracy and completeness; and*

26 (b) *Include vouchers, worksheets, receipts and applicable*  
27 *resolutions; and*

28 2. *Maintain the records for each report or document*  
29 *available for examination for a period of not less than 5 years*  
30 *after the filing of the report or document.*

31 **Sec. 24.** 1. *Each person required to file a report or*  
32 *document with the Labor Commissioner pursuant to section 18,*  
33 *19, 20 or 29 of this act must file the report or document in a*  
34 *manner and on a form prescribed by the Labor Commissioner.*

35 2. *If the Labor Commissioner determines that the*  
36 *requirements of section 18, 19, 20 or 29 of this act are unduly*  
37 *burdensome for the person required to file a required report or*  
38 *document, the Labor Commissioner may authorize the person to*  
39 *file the report or document on a simplified form prescribed by the*  
40 *Labor Commissioner.*

41 3. *The Labor Commissioner may rescind the authorization*  
42 *given pursuant to subsection 2 after notice and an opportunity to*  
43 *be heard if the Labor Commissioner determines that the purposes*  
44 *of sections 2 to 36, inclusive, of this act would be served by doing*  
45 *so.*



1     **Sec. 25.** *The Labor Commissioner shall adopt regulations to*  
2 *carry out the provisions of sections 2 to 36, inclusive, of this act,*  
3 *including, without limitation, regulations providing for:*

4         1. *The inspection and examination, upon request, of the*  
5 *information and data contained in each report and document filed*  
6 *pursuant to sections 18, 19, 20 and 29 of this act; and*

7         2. *The furnishing of copies of each report and document filed*  
8 *pursuant to sections 18, 19, 20 and 29 of this act, upon payment of*  
9 *a fee covering the cost of the service.*

10     **Sec. 26.** 1. *A person shall not make a false or misleading*  
11 *statement or representation of material fact or fail to disclose a*  
12 *material fact in any report or document required to be filed*  
13 *pursuant to section 18, 19, 20 or 29 of this act.*

14         2. *A person shall not knowingly make a false entry in any*  
15 *report or document required to be filed pursuant to section 18, 19,*  
16 *20, or 29 of this act.*

17         3. *A person shall not conceal, withhold or destroy any books,*  
18 *records, reports or statements required to be maintained by the*  
19 *provisions of sections 2 to 36, inclusive, of this act.*

20     **Sec. 27.** *A person required to sign a document pursuant to*  
21 *section 18 of this act is personally responsible for the filing of the*  
22 *document and for any statement contained in the document that*  
23 *he knows to be false.*

24     **Sec. 28.** *Any person who violates a provision of sections 2 to*  
25 *36, inclusive, of this act is guilty of a gross misdemeanor and shall*  
26 *be punished by imprisonment in the county jail for not more than*  
27 *1 year or by a fine of not more than \$10,000, or by both fine and*  
28 *imprisonment.*

29     **Sec. 29.** *The provisions of sections 2 to 36, inclusive, of this*  
30 *act do not apply to any employee organization required to file*  
31 *annual or semiannual disclosure reports pursuant to 29 U.S.C. §§*  
32 *431 et seq.*

33     **Sec. 30.** 1. *It is hereby declared by the Legislature that:*

34         (a) *The officers, agents, shop stewards and other*  
35 *representatives of an employee organization occupy positions of*  
36 *trust in relation to the employee organization and its members as a*  
37 *group;*

38         (b) *It is the duty of each officer, agent, shop steward and other*  
39 *representative of an employee organization, taking into account*  
40 *the special problems and functions of each employee organization:*

41             (1) *To hold the money and property of the employee*  
42 *organization solely for the benefit of the employee organization*  
43 *and its members and to manage, invest and expend the money and*  
44 *property of the employee organization in accordance with the*  
45 *constitution and bylaws of the employee organization and any*



1 *resolutions of the governing bodies of the employee organization*  
2 *adopted under the constitution and bylaws of the employee*  
3 *organization;*

4 (2) *To refrain from dealing with the employee organization*  
5 *as an adverse party or on behalf of an adverse party in any matter*  
6 *connected with the duties of the officer, agent, shop steward or*  
7 *other representative to the employee organization;*

8 (3) *To refrain from holding or acquiring any pecuniary or*  
9 *personal interest which conflicts with the interests of the employee*  
10 *organization; and*

11 (4) *To account to the employee organization for any profit*  
12 *received by the officer, agent, shop steward or other representative*  
13 *in connection with transactions conducted by the officer, agent,*  
14 *shop steward or other representative or under the direction of the*  
15 *officer, agent, shop steward or other representative on behalf of*  
16 *the employee organization.*

17 2. *Any provision of the constitution or bylaws of an employee*  
18 *organization that defends or holds harmless against liability a*  
19 *person who breaches any of the duties pursuant to subsection 1 is*  
20 *against public policy and is void and unenforceable.*

21 **Sec. 31.** 1. *Except as otherwise provided in subsection 2, a*  
22 *member of an employee organization may bring an action against*  
23 *any officer, agent, shop steward or other representative of the*  
24 *employee organization seeking appropriate relief for a breach of*  
25 *the duties pursuant to section 30 of this act if:*

26 (a) *The member requests the employee organization or its*  
27 *governing board or officers to bring such an action; and*

28 (b) *The employee organization or its governing board or*  
29 *officers refuse or fail to do so within a reasonable time.*

30 2. *An action may not be brought pursuant to subsection 1*  
31 *except upon leave of the court that is obtained by verified*  
32 *application and for good cause shown.*

33 3. *The court may grant leave pursuant to subsection 2*  
34 *without notice to or hearing from any adverse party to the action.*

35 4. *The court may allot a reasonable amount of any recovery*  
36 *in an action brought pursuant to this section to costs and*  
37 *reasonable attorney's fees to the prevailing party.*

38 **Sec. 32.** *Each officer, agent, shop steward or other*  
39 *representative of an employee organization whose property and*  
40 *annual financial receipts are more than \$5,000, or of a trust in*  
41 *which an employee organization has an interest, who handles*  
42 *money or other property of the employee organization shall file*  
43 *with the Labor Commissioner a surety bond, in an amount and in*  
44 *a manner prescribed by regulations adopted by the Labor*  
45 *Commissioner, with sufficient sureties, for the faithful*



1 *performance of the duties of the officer, agent, shop steward or*  
2 *other representative.*

3 **Sec. 33.** 1. *The president and treasurer or corresponding*  
4 *principal officers of each surety company that issues a bond*  
5 *required by section 32 of this act shall file annually with the Labor*  
6 *Commission a report, describing its bond experience under section*  
7 *32 of this act with respect to each fiscal year during which any*  
8 *bond was in force.*

9 2. *Except as otherwise provided in subsection 3, the report*  
10 *required to be filed pursuant to subsection 1 must include*  
11 *information on the premiums received, total claims paid, amounts*  
12 *recovered by way of subrogation, administrative and legal*  
13 *expenses, and such related information and data as the Labor*  
14 *Commissioner determines to be in the public interest and*  
15 *necessary to carry out the provisions of sections 2 to 36, inclusive,*  
16 *of this act.*

17 3. *If the Labor Commissioner determines that any*  
18 *information otherwise required by subsection 2 cannot be*  
19 *practicably ascertained or would be uninformative, the Labor*  
20 *Commissioner may modify or waive the requirement for the*  
21 *information.*

22 4. *The report required pursuant to this section must be filed*  
23 *initially within 90 days after the surety company issues a bond*  
24 *required by section 32 of this act and then annually not later than*  
25 *90 days after the end of each fiscal year.*

26 **Sec. 34.** 1. *An employee organization shall not make*  
27 *directly or indirectly a loan or loans to any officer or employee of*  
28 *the employee organization which results in a total indebtedness*  
29 *of the officer or employee to the employee organization in excess*  
30 *of \$2,000.*

31 2. *An employee organization shall not pay directly or*  
32 *indirectly the fine of any officer or employee convicted of a*  
33 *violation of sections 2 to 36, inclusive, of this act.*

34 **Sec. 35.** 1. *Except as otherwise provided in subsections 3*  
35 *and 4, a person may not serve in any capacity described in*  
36 *subsection 2 after having been convicted of:*

37 (a) *Robbery, bribery, extortion, embezzlement, grand larceny,*  
38 *burglary, arson, a violation of chapter 453 of NRS, murder, rape,*  
39 *assault with intent to kill, or assault that inflicts grievous bodily*  
40 *injury;*

41 (b) *A violation of sections 2 to 36, inclusive of this act;*

42 (c) *A felony involving abuse or misuse of the position or*  
43 *employment of the person in or by an employee organization or an*  
44 *employee benefit plan, if the purpose of the abuse or misuse was to*  
45 *seek or obtain an illegal gain at the expense of the members of the*



1 *employee organization or the beneficiaries of the employee benefit*  
2 *plan; or*

3 (d) *Conspiracy or attempt to commit any of the crimes*  
4 *described in this subsection.*

5 2. *Except as otherwise provided in subsections 3 and 4, a*  
6 *person convicted of a crime described in subsection 1 shall not*  
7 *serve and shall not be allowed to serve:*

8 (a) *As a consultant or adviser to an employee organization;*

9 (b) *As an officer, director, trustee, member of an executive*  
10 *board or similar governing body, business agent, manager,*  
11 *organizer, employee or representative in any capacity of an*  
12 *employee organization;*

13 (c) *As a labor relations consultant or adviser to any person or*  
14 *governmental employer, or as an officer, director, agent or*  
15 *representative of any group or association of governmental*  
16 *employers dealing with any employee organization, or in a*  
17 *position having specific collective bargaining authority or direct*  
18 *responsibility in the area of labor management relations in any*  
19 *employee association;*

20 (d) *In a position which entitles its occupant to a share of the*  
21 *proceeds of, or as an officer or representative of, any entity whose*  
22 *activities are in whole or substantial part devoted to providing*  
23 *goods or services to any employee organization; or*

24 (e) *In any capacity, other than in a capacity as a member of an*  
25 *employee organization, that involves decision-making authority*  
26 *concerning custody of, or control of the money or property of any*  
27 *employee organization.*

28 3. *A person convicted of a crime described in subsection 1*  
29 *may serve in a position described in subsection 2 if at least 13*  
30 *years have elapsed since the conviction or the end of the period of*  
31 *imprisonment for the conviction, whichever is later.*

32 4. *A person convicted of a crime described in subsection 1*  
33 *may serve in a position described in subsection 2 before at least 13*  
34 *years have elapsed since the conviction if:*

35 (a) *Except as otherwise provided in subsection 5, at least 3*  
36 *years have elapsed since the conviction, the person is not*  
37 *imprisoned and, on the motion of the person, the sentencing court*  
38 *if sentencing occurred in this State, or a district court in the*  
39 *county in which the person resides if the sentencing did not occur*  
40 *in this State, allows the person to serve in a position described in*  
41 *subsection 2; or*

42 (b) *All citizenship rights revoked pursuant to the conviction*  
43 *and sentencing have been restored.*

44 5. *A court may allow the person to serve in a position*  
45 *described in subsection 2 only if the court:*



1     (a) *Has determined, pursuant to any sentencing and policy*  
2 *guidelines of the sentencing jurisdiction, that allowing the person*  
3 *to serve in a position described in subsection 2 will not be contrary*  
4 *to the purposes of sections 2 to 36, inclusive, of this act; and*

5     (b) *Has provided notice and opportunity to be heard to the*  
6 *Labor Commissioner and to prosecuting officials in the*  
7 *jurisdiction in which the person was convicted.*

8     6. *If a person convicted for a crime described in subsection 1*  
9 *has been barred from service pursuant to this section and has filed*  
10 *an appeal of the conviction:*

11     (a) *Any salary or wages which would otherwise be due to the*  
12 *person by virtue of the service from which the person is barred*  
13 *must be placed in escrow by the person responsible for paying the*  
14 *salary or wages;*

15     (b) *Payment of the salary or wages must continue for the*  
16 *duration of the appeal or the period of time during which the*  
17 *salary or wages would otherwise be due, whichever period is*  
18 *shorter;*

19     (c) *Upon a final reversal of the conviction, the amounts in*  
20 *escrow must be paid to the person; and*

21     (d) *Upon a final upholding of the conviction, the amounts in*  
22 *escrow must be returned to the person responsible for paying the*  
23 *salary or wages.*

24     7. *A person shall be deemed convicted for purposes of this*  
25 *section regardless of whether the conviction is under appeal.*

26     **Sec. 36.** *The provisions of sections 2 to 36, inclusive, of this*  
27 *act must not be construed to:*

28     1. *Reduce or limit the responsibilities of an employee*  
29 *organization or any officer, agent, shop steward or other*  
30 *representative of an employee organization or any trust in which*  
31 *an employee organization has an interest under any other law; or*

32     2. *Remove or limit any right or bar any remedy to which*  
33 *members of an employee organization are entitled under any other*  
34 *law.*

