## Amendment No. 545

Assembly Amendment to Assembly Bill No. 442	(BDR 31-176)					
<b>Proposed by:</b> Assembly Committee on Elections, Procedures, Ethics, and Constitutional Amendments						
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No	Digest: Yes					

ASSEMBLY ACTION		Initial and Date	SENATE ACTION Initial and Date		
Adopted		Lost	1	Adopted	Lost
Concurred In		Not	1	Concurred In	Not
Receded		Not		Receded	Not

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) red strikethrough is deleted language in the original bill; (4) purple double strikethrough is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold dashed underlining is newly added transitory language.

WBD/RBL Date: 4/20/2009

A.B. No. 442—Revises provisions concerning lobbying. (BDR 31-176)



## ASSEMBLY BILL NO. 442—ASSEMBLYMEN KIRKPATRICK, SEGERBLOM; CONKLIN, GOICOECHEA, MUNFORD, PIERCE AND SMITH

MARCH 16, 2009

JOINT SPONSORS: SENATORS CEGAVSKE: AND HORSFORD

Referred to Committee on Elections, Procedures, Ethics, and Constitutional Amendments

SUMMARY—Revises provisions concerning lobbying. (BDR 31-176)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention

Facility.

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 lobbying; [prohibiting] requiring an entity of the Executive, Legislative or Judicial Department of State Government, and local governments, [from expending money for] to prepare certain reports concerning lobbying activities; [prohibiting certain persons from receiving compensation or reimbursement for engaging in lobbying activities; prohibiting a person from expending money from a legislative appropriation or authorization for lobbying activities; providing a penalty;] establishing certain requirements for contracts for lobbying services; requiring the Board of Regents of the University of Nevada to approve certain contracts for lobbying services; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill [prohibits] requires an agency, board, bureau, commission, department, division, institution, officer or employee of the Executive Department, the Legislative Department or the Judicial Department of State Government [from compensating or reimbursing] that compensates or reimburses a person to act as a lobbyist [for making] makes an expenditure in connection with lobbying activities that must be reported pursuant to existing law [.(NPS 218.926)] or expends any money in connection with federal lobbying activities to periodically prepare reports concerning all lobbying activities undertaken by or on behalf of the entity. Section 2 of this bill extends the same [prohibitions] requirements to local governments.

| Section 5 of this bill prohibits employees of the Legislative Branch and members, officers and employees of the Judicial and Executive Branches of the State Government, and local governments, from receiving compensation or reimbursement for engaging in lobbying activities. Section 5 also prohibits a person from using money from a legislative appropriation or authorization to compensate or reimburse a person for acting as a lobbying or to make an

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36 37 law. (NRS 218.942)1

Section 6 of this bill provides that contracts for lobbying services must: (1) specify whether the lobbying services are for state or federal lobbying activities, or both; (2) require the lobbyist to disclose the identities of his other clients and the existence of any actual or potential conflicts of interest; and (3) provide for the adjudication of disputes concerning actual conflicts of interest.

Section 7 of this bill requires the Board of Regents of the University of Nevada to approve any contract for lobbying services for the Nevada System of Higher Education

or any component thereof.

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

**Section 1.** Chapter 353 of NRS is hereby amended by adding thereto a new section to read as follows:

1. An entity of State Government [shall not,] that directly or indirectly:

- (a) [Compensate or reimburse] Compensates or reimburses a person for acting as a lobbyist; [or]
- (b) [Make] Makes an expenditure in connection with lobbying activities that must be reported pursuant to NRS 218.926 [+]; or
- (c) Expends any money in connection with any federal lobbying activity, ⇒ shall, at least quarterly, prepare a report concerning all lobbying activity undertaken by or on behalf of the entity. During a regular session of the Legislature, the entity shall prepare the report at least monthly.
- 2. The entity of State Government shall:
  (a) Present each report to its governing body, if any, at a regular or special meeting of the governing body that is open to the public; and
- (b) On or before January 15 of each year, submit a copy of each report to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.
- 17 3. As used in this section: 18
  - (a) "Entity of State Government" includes, without limitation, an agency, board, bureau, commission, department, division, institution, officer or employee of the Executive Department, including, without limitation, the Nevada System of Higher Education and the Public Employees' Retirement System, the Legislative Department or the Judicial Department of State Government.
    - (b) "Expenditure" has the meaning ascribed to it in NRS 218.906.
  - (c) "Federal lobbying activity" means any activity that is intended to influence or attempts to influence an officer or employee of any agency of the Federal Government, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with an existing or proposed federal action or program.
    - (d) "Lobbyist" has the meaning ascribed to it in NRS 218.912.
- Sec. 2. Chapter 354 of NRS is hereby amended by adding thereto a new 30 31 section to read as follows:
  - 1. An entity of local government [shall not,] that directly or indirectly:
  - (a) [Compensate or reimburse] Compensates or reimburses a person for acting as a lobbyist; [or]
  - (b) [Make] Makes an expenditure in connection with lobbying activities that must be reported pursuant to NRS 218.926 [-]; or
    - (c) Expends any money in connection with any federal lobbying activity,

⇒ shall, at least quarterly, prepare a report concerning all lobbying activity 1 undertaken by or on behalf of the entity. During a regular session of the 2 3 4 5 Legislature, the entity shall prepare the report at least monthly. 2. The entity of local government shall: (a) Present each report to its governing body, if any, at a regular or special 6 meeting of the governing body that is open to the public; and 7 (b) On or before January 15 of each year, submit a copy of each report to the 8 Director of the Legislative Counsel Bureau for transmittal to the Legislature. 9 3. As used in this section: 10 (a) "Entity of local government" includes, without limitation, an agency, 11 board, bureau, commission, department, division, institution, officer or employee 12 of a local government. 13 (b) "Expenditure" has the meaning ascribed to it in NRS 218.906. 14 (c) "Federal lobbying activity" has the meaning ascribed to it in section 1 of 15 this act. (d) "Lobbyist" has the meaning ascribed to it in NRS 218.912. 16 [(d)] (e) "Local government" means any political subdivision of this State, including, without limitation, any county, city, town, board, airport authority, 17 18 19 regional transportation commission, fire protection district, irrigation district, 20 school district or other special district that performs a governmental function. 21 Sec. 3. [NRS 354.59803 is hereby amended to read as follows: 22 354.59803 1. In each year in which the Legislature convenes, a local government which expends more than \$6,000 on activities designed to influence the 23 passage or defeat of any legislation shall file with the Department of Taxation 24 25 within 30 days after the close of the legislative session a report supplemental to its 26 final budget which includes separate items for expenses relating to that activity, including, without limitation: 27 28 (a) Transportation. 29 (b) The amount of money spent on: (1) The lodging and meals of its officers [, lobbyists] and employees; and 30 31 (2) The salary or wages paid to its officers and employees. [; and 32 (3) Compensation paid to any lobbyists, to the extent that such information 33 does not duplicate the information required pursuant to subparagraphs (1) and (2). 34 (c) The amount of money spent on entertainment, gifts or other expenses which are required to be reported pursuant to NRS 218.900 to 218.944, inclusive. 35 36 (d)] (e) The amount of money spent in Carson City on supplies, equipment 37 and facilities and other personnel and services needed to support the activity. 38 [(e)] (d) An identification of the fund, account or other source against which 39 the expenses were charged. 2. The local government shall make a copy of the supplemental report available for inspection within 30 days after the close of the legislative session.] 40 41 42 (Deleted by amendment.) Sec. 4. [NRS 218.912 is hereby amended to read as follows: 218.912 1. "Lobbyist" means, except as limited by subsection 2, a person 43 44 who: 45 (a) Appears in person in the legislative building or any other building in which 46 the Legislature or any of its standing committees hold meetings; and 47 48 (b) Communicates directly with a member of the Legislative Branch on behalf

of someone other than himself to influence legislative action whether or not any

compensation is received for the communication.

2. "Lobbyist" does not include:

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- (a) Persons who confine their activities to formal appearances before legislative committees and who clearly identify themselves and the interest or interests for whom they are testifying.

  (b) Employees of a hope file news medium who meet the definition of
- (b) Employees of a bona fide news medium who meet the definition of "lobbyist" only in the course of their professional duties and who contact members of the Legislature for the sole purpose of carrying out their news gathering function.
- (e) Employees of departments, divisions or agencies of the state or a local government who appear before legislative committees only to explain the effect of legislation related to their departments, divisions or agencies.
- (d) Legislators.
- (¢) Employees of the Legislature, [Legislators,] legislative agencies or legislative commissions [.
- (c)] who appear before legislative committees only to explain the effect of legislation.
- (f) Elected or appointed officers of this State and its political subdivisions who confine their lobbying activities to appearing before legislative committees concerning issues directly related to the scope of the office to which they were elected [.
- <del>(f)] or appointed.</del>
- (g) Persons who contact the members of the Legislature who are elected from the district in which they reside.] (Deleted by amendment.)
  - Sec. 5. [NRS 218.942 is hereby amended to read as follows:
- 218.942 1. A lobbyist shall not knowingly or willfully make any false statement or misrepresentation of facts:
- (a) To any member of the Legislative Branch in an effort to persuade or influence him in his official actions.
- (b) In a registration statement or report concerning lobbying activities filed with the Director.
- 2. A lobbyist shall not give to a member of the Legislative Branch or a member of his staff or immediate family gifts that exceed \$100 in value in the aggregate in any calendar year.
- 3. A member of the Legislative Branch or a member of his staff or immediate family shall not solicit anything of value from a registrant or accept any gift that exceeds \$100 in aggregate value in any calendar year.
- 4. A person who employs or uses a lobbyist shall not make that lobbyist's compensation or reimbursement contingent in any manner upon the outcome of any legislative action.
- 5. Except during the period permitted by NRS 218.918, a person shall not knowingly act as a lobbyist without being registered as required by that section.
- 6. [Except as otherwise provided in subsection 7, a member] An employee of the Legislative Branch and a member, officer or employee of the Judicial or Executive Branch of the State Government and an [elected] officer or employee of a political subdivision shall not receive compensation or reimbursement [other than from the State or the political subdivision] for personally engaging in lobbying.
- 7. [An elected officer or employee of a political subdivision may receive compensation or reimbursement from any organization whose membership consists of elected or appointed public officers.
- 8.] A lobbyist shall not instigate the introduction of any legislation for the purpose of obtaining employment to lobby in opposition thereto.
- [9.] 8. A lobbyist shall not make, commit to make or offer to make a monetary contribution to a member of the Legislature, the Lieutenant Governor, the Lieutenant Governor-elect, the Governor or the Governor-elect during the period beginning:

(a) Thirty days before a regular session of the Legislature and ending 30 days 1 after the final adjournment of a regular session of the Legislature; 2345678 (b) Fifteen days before a special session of the Legislature is set to commence

and ending 15 days after the final adjournment of a special session of the Legislature, if the Governor sets a specific date for the commencement of the special session that is more than 15 days after the Governor issues the proclamation calling for the special session; or

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- (c) The day after the Governor issues a proclamation calling for a special session of the Legislature and ending 15 days after the final adjournment of a special session of the Legislature if the Governor sets a specific date for the commencement of the special session that is 15 or fewer days after the Governor issues the proclamation calling for the special session.
- 9. A person shall not, directly or indirectly, use money from a legislative appropriation or authorization to:
  - (a) Compensate or reimburse a person for acting as a lobbyist; or
- (b) Make an expenditure in connection with lobbying activities that must be reported pursuant to NRS 218.926.] (Deleted by amendment.)
- Sec. 6. Chapter 334 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A contract entered into between a governmental entity and a lobbyist for the provision of lobbying services must:
- (a) Specify whether the lobbying services will include state lobbying activities, federal lobbying activities, or both state and federal lobbying activities.
- (b) Require the lobbyist to disclose to the governmental entity the identity of each client represented by the lobbyist and the existence of any actual or potential conflicts of interest that may arise from his representation of those clients; and
- (c) Provide for the adjudication of any dispute between the governmental entity and the lobbyist should an actual conflict of interest arise.
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- 2. As used in this section:
  (a) "Federal lobbying activity" has the meaning ascribed to it in section 1 of 30 31 t<u>his act.</u>
  - (b) "Lobbyist" has the meaning ascribed to it in NRS 218.912 and includes a person who engages in federal lobbying activity.
  - Sec. 7. Chapter 396 of NRS is hereby amended by adding thereto a new section to read as follows:
  - 1. A contract for lobbying services for the System, or a facility, branch or institution thereof, must be approved by the Board of Regents at a regular or special meeting.
  - 2. The Board of Regents must, before it approves a contract for lobbying services, consider and disclose during the meeting the total amount of money committed for all contracts for lobbying services entered into by the System, or a facility, branch or institution thereof.
  - 3. As used in this section, "contract for lobbying services" means a contract that is subject to the provisions of section 6 of this act.
    - [Sec. 6.] Sec. 8. This act becomes effective on July 1, 2009.