

SENATE BILL NO. 391—COMMITTEE ON  
LEGISLATIVE OPERATIONS AND ELECTIONS

MARCH 28, 2011

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises provisions relating to ethics in government.  
(BDR 23-1116)

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

~

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

AN ACT relating to ethics in government; revising provisions relating to ethics in government and the enforcement of laws relating thereto; transferring certain authority over the enforcement of laws relating to ethics in government from the Commission on Ethics to the Secretary of State; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

This bill makes various changes to provisions relating to ethics in government and the ethics laws. (Chapters 281 and 281A of NRS) **Sections 1.05, 2.35, 2.4, 21, 24.5, 34-39 and 41** of this bill revise provisions prohibiting public officers and employees from being interested in or benefitting from governmental contracts and clarify certain procedures for voiding governmental contracts or other actions which violate the ethics laws.

**Sections 1.1-2.25, 23, 40 and 44** of this bill: (1) repeal the existing provisions governing financial disclosure statements which are administered jointly by the Commission on Ethics and the Secretary of State; and (2) reenact and revise those provisions so the Secretary of State is given sole responsibility to administer and enforce the financial disclosure provisions.

**Sections 2.5-5.3 and 8-11** of this bill enact and revise various definitions in the Nevada Ethics in Government Law. **Section 3** of this bill revises and makes applicable throughout the Ethics Law the existing definition of "commitment in a private capacity to the interests of another person" in NRS 281A.420, but **section 3** retains without change the definition's catchall provision whose constitutionality is being litigated in a case pending before the United States Supreme Court. (*Carrigan v. Comm'n on Ethics*, 126 Nev. Adv. Op. 28, 236 P.3d 616 (2010), cert. granted, *Nev. Comm'n on Ethics v. Carrigan*, 131 S. Ct. 857 (2011))

**Section 4** of this bill defines "pecuniary interest," and **sections 18 and 20** of this bill require proof of a significant pecuniary interest in defining various types of unethical conduct.



**Section 5.5** of this bill enacts provisions for computing periods of time under the Ethics Law. **Section 6** of this bill revises and moves the existing provisions from NRS 281A.410 requiring certain public officers to file disclosures if they have represented or counseled a private person for compensation before certain agencies. **Section 7** of this bill authorizes the Commission to apply for and accept grants, contributions, services and money for the purposes of carrying out the Ethics Law.

**Sections 12-16** of this bill make various changes concerning the makeup and duties of the Commission and the duties of the Executive Director and the Commission Counsel. Those changes include: (1) adjusting the eligibility requirements for certain members of the Commission; (2) requiring the Commission's Chair to designate a qualified person to perform the Executive Director's duties when the Executive Director is disqualified or unable to act on a particular matter; (3) revising the administration of the assessments paid by cities and counties in semiannual installments to the Commission; and (4) expanding the Commission's authority to adopt regulations to carry out the Ethics Law.

**Section 17** of this bill directs public officers and employees who request the issuance of a subpoena on their behalf in ethics proceedings to serve the subpoena in the manner provided in the Nevada Rules of Civil Procedure and to pay the costs of such service.

**Sections 18-23** of this bill make various changes to provisions in the Ethics Law, including provisions relating to conflicts of interest for public officers and employees, disclosures and abstentions, the rendering of opinions and conduct of investigations by the Commission and the duties of specialized and local ethics committees.

**Section 18** of this bill prohibits public officers and employees from misusing their governmental positions to benefit business entities in which they have a significant pecuniary interest or persons to whom they have a commitment in a private capacity. **Section 18** also clarifies existing provisions proscribing various types of unethical conduct.

**Section 19** of this bill revises the restrictions on various public officers and employees representing or counseling private persons for compensation before certain agencies. **Section 19** also revises and moves the existing "cooling off" provisions from NRS 281A.550 prohibiting various public officers and employees from being employed by certain businesses and industries for a specified period after leaving public service.

**Section 24** of this bill provides new requirements relating to informing, educating and instructing public officers and employees concerning the statutory ethical standards and their duties under the Ethics Law.

---

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

**Section 1.** Chapter 281 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.05 to 2.25, inclusive, of this act.

**Sec. 1.05. 1. *In addition to any other penalties provided by law, any governmental grant, contract or lease made or other governmental action taken by a public officer or employee in violation of NRS 281.005 to 281.671, or chapter 281A of NRS is voidable by the State, county, city or political subdivision.***



2. *The Attorney General, district attorney or city attorney must give notice of the intent to void a governmental grant, contract or lease or other governmental action pursuant to this section not later than 30 days after adjudication of the violation.*

3. *In determining whether to void a governmental grant, contract or lease or other governmental action pursuant to this section, the interests of innocent third parties who could be damaged must be taken into account.*

4. *In addition to any other penalties provided by law, the Attorney General, district attorney or city attorney may:*

(a) *Pursue any other available legal or equitable remedies as a result of a violation of NRS 281.005 to 281.671, or chapter 281A of NRS by a public officer or employee; and*

(b) *Recover any fee, compensation, gift or benefit received by a person as a result of a violation of NRS 281.005 to 281.671, or chapter 281A of NRS by a public officer or employee. An action to recover pursuant to this section must be brought within 2 years after the violation or reasonable discovery of the violation.*

**Sec. 1.1.** *As used in sections 1.1 to 2.25, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 1.15 to 1.75, inclusive, of this act have the meanings ascribed to them in those sections.*

**Sec. 1.15.** *“Business entity” means an organization or enterprise operated for economic gain, including, without limitation, a proprietorship, partnership, firm, business, company, trust, joint venture, syndicate, corporation or association.*

**Sec. 1.2.** 1. *“Candidate” means a person who is a candidate for public office.*

2. *The term does not include a person who is a candidate for judicial office.*

**Sec. 1.25.** *“County clerk” means:*

1. *The county clerk; or*

2. *The registrar of voters of the county if one was appointed pursuant to NRS 244.164 and a duty assigned to the county clerk by sections 1.1 to 2.25, inclusive, of this act concerns a candidate.*

**Sec. 1.3.** *“Domestic partner” means a person in a domestic partnership.*

**Sec. 1.35.** *“Domestic partnership” means:*

1. *A domestic partnership as defined in chapter 122A of NRS; or*

2. *A domestic partnership which was validly formed in another jurisdiction and which is substantially equivalent to a domestic partnership as defined in chapter 122A of NRS, regardless of whether it bears the name of a domestic partnership or is registered in this State.*



1     **Sec. 1.4.** *“Financial disclosure statement” means a financial*  
2 *disclosure statement required to be filed with the Secretary of State*  
3 *pursuant to sections 1.1 to 2.25, inclusive, of this act.*

4     **Sec. 1.45.** *“Household” means an association of persons*  
5 *who live in the same home or dwelling, sharing its expenses.*

6     **Sec. 1.5.** *“Intentionally” means voluntarily or deliberately,*  
7 *rather than accidentally or inadvertently. The term does not*  
8 *require proof of bad faith, ill will, evil intent or malice.*

9     **Sec. 1.55.** *“Knowingly” imports a knowledge that the facts*  
10 *exist which constitute the act or omission, and does not require*  
11 *knowledge of the prohibition against the act or omission.*  
12 *Knowledge of any particular fact may be inferred from the*  
13 *knowledge of such other facts as should put an ordinarily prudent*  
14 *person upon inquiry.*

15     **Sec. 1.6.** *“Member of the candidate’s or public officer’s*  
16 *household” means:*

17         1. *The spouse or domestic partner of the candidate or public*  
18 *officer;*

19         2. *A person who lives in the household of the candidate or*  
20 *public officer;*

21         3. *A person who does not live in the household of the*  
22 *candidate or public officer, but who is dependent on and receiving*  
23 *substantial support from the candidate or public officer; and*

24         4. *A person who lived in the household of the candidate or*  
25 *public officer for 6 months or more in the year immediately*  
26 *preceding the year in which the candidate or public officer files a*  
27 *financial disclosure statement.*

28     **Sec. 1.65.** *“Political subdivision” means any county, city or*  
29 *other local government as defined in NRS 354.474.*

30     **Sec. 1.7.** *“Public officer” means a person who is a public*  
31 *officer for the purposes of chapter 281A of NRS.*

32     **Sec. 1.75.** *“Willfully” means intentionally and knowingly.*

33     **Sec. 1.8.** 1. *A financial disclosure statement must be filed*  
34 *on a form prescribed by the Secretary of State.*

35         2. *The Secretary of State shall distribute the form, or cause*  
36 *the form to be distributed, to each candidate and public officer*  
37 *who is required to file a financial disclosure statement.*

38         3. *The Secretary of State and each county clerk and city clerk*  
39 *who receives from a candidate a declaration of candidacy,*  
40 *acceptance of candidacy or certificate of candidacy shall give to*  
41 *the candidate:*

42             (a) *The form prescribed by the Secretary of State for filing a*  
43 *financial disclosure statement; and*

44             (b) *Instructions on how to complete the form, where it must be*  
45 *filed and the time by which it must be filed.*



1     **Sec. 1.85. 1. The Secretary of State shall:**

2     (a) *Prescribe, by regulation, procedures for filing a financial*  
3 *disclosure statement; and*

4     (b) *Adopt any other regulations necessary to carry out the*  
5 *provisions of sections 1.1 to 2.25, inclusive, of this act.*

6     **2. The Secretary of State shall:**

7     (a) *Maintain files of the financial disclosure statements filed*  
8 *with the Secretary of State;*

9     (b) *Make each financial disclosure statement available for*  
10 *public inspection; and*

11     (c) *Retain each financial disclosure statement for 6 years after*  
12 *the date of filing, except that for a public officer who serves more*  
13 *than one term in either the same public office or more than one*  
14 *public office, the period prescribed by this paragraph begins to*  
15 *run on the date of the filing of the last financial disclosure*  
16 *statement for the last public office held.*

17     **Sec. 1.9. 1. A financial disclosure statement shall be**  
18 **deemed to be filed with the Secretary of State:**

19     (a) *On the date that it was mailed if it was sent by certified*  
20 *mail; or*

21     (b) *On the date that it was received by the Secretary of State if*  
22 *the statement was sent by regular mail, transmitted by facsimile*  
23 *machine or electronic means, or delivered personally.*

24     **2. If the last day for filing a financial disclosure statement**  
25 **falls on a Saturday, Sunday, legal holiday or holiday proclaimed**  
26 **by the Governor or on a day on which the office of the Secretary**  
27 **of State is not open for the conduct of business, the period for**  
28 **filing the statement is extended to the close of business on the next**  
29 **business day.**

30     **Sec. 1.95. 1. If a specialized or local ethics committee**  
31 **requires the filing of a financial disclosure statement by a public**  
32 **officer on a form prescribed by the committee or the city clerk**  
33 **pursuant to NRS 281A.470 and the form is submitted to the**  
34 **Secretary of State for approval as required by that section, the**  
35 **Secretary of State shall not approve the form unless the financial**  
36 **disclosure statement contains all the information required to be**  
37 **included in a financial disclosure statement pursuant to section**  
38 **2.05 of this act.**

39     **2. The Secretary of State is not responsible for the costs of**  
40 **producing or distributing a form for filing a financial disclosure**  
41 **statement pursuant to NRS 281A.470.**

42     **Sec. 2. (Deleted by amendment.)**

43     **Sec. 2.05. A financial disclosure statement must contain the**  
44 **following information concerning the candidate or public officer:**



\* S B 3 9 1 R 1 \*

1     1. The candidate's or public officer's length of residence in  
2     the State of Nevada and the district in which the candidate or  
3     public officer is registered to vote.

4     2. Each source of income for the candidate or public officer  
5     and each source of income for a member of the candidate's or  
6     public officer's household who is 18 years of age or older. No  
7     listing of individual clients, customers or patients is required, but  
8     if that is the case, a general source such as "professional services"  
9     must be disclosed.

10    3. A list of the specific location and particular use of real  
11    estate, other than a personal residence:

12    (a) In which the candidate or public officer or a member of the  
13    candidate's or public officer's household has a legal or beneficial  
14    interest;

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

16    (c) That is located in this State or an adjacent state.

17    4. The name of each creditor to whom the candidate or public  
18    officer or a member of the candidate's or public officer's  
19    household owes \$5,000 or more, except for:

20    (a) A debt secured by a mortgage or deed of trust of real  
21    property which is not required to be listed pursuant to subsection  
22    3; and

23    (b) A debt for which a security interest in a motor vehicle for  
24    personal use was retained by the seller.

25    5. If the candidate or public officer has received gifts in  
26    excess of an aggregate value of \$200 from a donor during the  
27    preceding taxable year, a list of all such gifts, including the  
28    identity of the donor and value of each gift, except:

29    (a) A gift received from a person who is related to the  
30    candidate or public officer by blood, adoption, marriage or  
31    domestic partnership within the third degree of relationship.

32    (b) Ceremonial gifts received for a birthday, wedding,  
33    anniversary, holiday or other ceremonial occasion if the donor  
34    does not have a substantial interest in the legislative,  
35    administrative or political action of the candidate or public officer.

36    6. A list of each business entity with which the candidate or  
37    public officer or a member of the candidate's or public officer's  
38    household is involved as a trustee, beneficiary of a trust, director,  
39    officer, owner in whole or in part, limited or general partner, or  
40    holder of a class of stock or security representing 1 percent or  
41    more of the total outstanding stock or securities issued by the  
42    business entity.

43    7. A list of all public offices presently held by the candidate or  
44    public officer for which the financial disclosure statement is being  
45    filed.



\* S B 3 9 1 R 1 \*

1     **Sec. 2.1. 1.** *Except as otherwise provided in this section,*  
2 *each candidate who will be entitled to receive annual*  
3 *compensation of \$6,000 or more for serving in the office that the*  
4 *candidate is seeking, each candidate for the office of Legislator*  
5 *and each public officer who was elected to the office for which the*  
6 *public officer is serving shall file with the Secretary of State a*  
7 *financial disclosure statement, as follows:*

8     (a) *A candidate for nomination, election or reelection to public*  
9 *office shall file a financial disclosure statement not later than the*  
10 *10th day after the last day to qualify as a candidate for the office.*  
11 *The statement must disclose the required information for the full*  
12 *calendar year immediately preceding the date of filing and for the*  
13 *period between January 1 of the year in which the election for the*  
14 *office will be held and the last day to qualify as a candidate for*  
15 *the office. The filing of a financial disclosure statement for a*  
16 *portion of a calendar year pursuant to this paragraph does not*  
17 *relieve the candidate of the requirement of filing a financial*  
18 *disclosure statement for the full calendar year pursuant to*  
19 *paragraph (b) in the immediately succeeding year, if the candidate*  
20 *is elected to the office.*

21     (b) *Each public officer shall file a financial disclosure*  
22 *statement on or before January 15 of:*

23     (1) *Each year of the term, including the year in which the*  
24 *public officer leaves office; and*

25     (2) *The year immediately following the year in which the*  
26 *public officer leaves office, unless the public officer leaves office*  
27 *before January 15 in the prior year.*

28     ➔ *The statement must disclose the required information for the*  
29 *full calendar year immediately preceding the date of filing.*

30     2. *Except as otherwise provided in this subsection, if a*  
31 *candidate is serving in a public office for which the candidate is*  
32 *required to file a financial disclosure statement pursuant to*  
33 *paragraph (b) of subsection 1 or subsection 1 of section 2.15 of*  
34 *this act, the candidate need not file the statement required by this*  
35 *section for the full calendar year for which the candidate*  
36 *previously filed a statement. The provisions of this subsection do*  
37 *not relieve the candidate of the requirement pursuant to*  
38 *paragraph (a) of subsection 1 to file a financial disclosure*  
39 *statement for the period between January 1 of the year in which*  
40 *the election for the office will be held and the last day to qualify as*  
41 *a candidate for the office.*

42     3. *A person elected pursuant to NRS 548.285 to the office of*  
43 *supervisor of a conservation district is not required to file a*  
44 *financial disclosure statement relative to that office pursuant to*  
45 *subsection 1.*





1     4. A candidate for judicial office or a judicial officer shall file  
2 a financial disclosure statement pursuant to the requirements of  
3 the Revised Nevada Code of Judicial Conduct. Such a financial  
4 disclosure statement must include, without limitation, all the  
5 information required to be included in a financial disclosure  
6 statement pursuant to section 2.05 of this act.

7     **Sec. 2.15.** 1. Except as otherwise provided in this section, if  
8 a public officer who was appointed to the office for which the  
9 public officer is serving is entitled to receive annual compensation  
10 of \$6,000 or more for serving in that office or if the public officer  
11 was appointed to the office of Legislator, the public officer shall  
12 file with the Secretary of State a financial disclosure statement, as  
13 follows:

14     (a) A public officer appointed to fill the unexpired term of an  
15 elected or appointed public officer shall file a financial disclosure  
16 statement not later than 30 days after the public officer's  
17 appointment. The statement must disclose the required  
18 information for the current calendar year and for the full calendar  
19 year immediately preceding the date of filing.

20     (b) Each public officer appointed to fill an office shall file a  
21 financial disclosure statement on or before January 15 of:

22         (1) Each year of the term, including the year in which the  
23 public officer leaves office; and

24         (2) The year immediately following the year in which the  
25 public officer leaves office, unless the public officer leaves office  
26 before January 15 in the prior year.

27     ➔ The statement must disclose the required information for the  
28 full calendar year immediately preceding the date of filing.

29     2. If a person is serving in a public office for which the  
30 person is required to file a financial disclosure statement pursuant  
31 to subsection 1, the person may use the statement the person files  
32 for that initial office to satisfy the requirements of subsection 1 for  
33 every other public office to which the person is appointed and in  
34 which the person is also serving.

35     3. A judicial officer who is appointed to fill the unexpired  
36 term of a predecessor or to fill a newly created judgeship shall file  
37 a financial disclosure statement pursuant to the requirements of  
38 the Revised Nevada Code of Judicial Conduct. Such a financial  
39 disclosure statement must include, without limitation, all the  
40 information required to be included in a financial disclosure  
41 statement pursuant to section 2.05 of this act.

42     **Sec. 2.2.** 1. A list of each public officer who is required to  
43 file a financial disclosure statement must be submitted  
44 electronically to the Secretary of State, in a form prescribed by the  
45 Secretary of State, on or before December 1 of each year by:



\* S B 3 9 1 R 1 \*



1 (a) Each county clerk for all public officers of the county and  
2 the other political subdivisions within the county except cities;

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

4 (c) The Director of the Legislative Counsel Bureau for all  
5 public officers of the Legislative Department of the State  
6 Government; and

7 (d) The Chief of the Budget Division of the Department of  
8 Administration for all public officers of the Executive Department  
9 of the State Government.

10 2. Each county clerk and city clerk shall submit electronically  
11 to the Secretary of State, in a form prescribed by the Secretary of  
12 State, a list of each candidate who filed a declaration of  
13 candidacy, acceptance of candidacy or certificate of candidacy  
14 with the clerk within 10 days after the last day to qualify as a  
15 candidate for the applicable office.

16 **Sec. 2.25.** 1. If a candidate or public officer willfully fails  
17 to file a financial disclosure statement or willfully fails to file a  
18 financial disclosure statement in a timely manner, the Secretary of  
19 State may, after giving notice to that person, cause the appropriate  
20 proceedings to be instituted in the First Judicial District Court.

21 2. Except as otherwise provided in this section, a candidate or  
22 public officer who willfully fails to file a financial disclosure  
23 statement or willfully fails to file a financial disclosure statement  
24 in a timely manner is subject to a civil penalty and payment of  
25 court costs and attorney's fees. The civil penalty must be recovered  
26 in a civil action brought in the name of the State of Nevada by the  
27 Secretary of State in the First Judicial District Court and  
28 deposited by the Secretary of State for credit to the State General  
29 Fund in the bank designated by the State Treasurer.

30 3. The amount of the civil penalty is:

31 (a) If the statement is filed not more than 10 days after the  
32 applicable deadline, \$25.

33 (b) If the statement is filed more than 10 days but not more  
34 than 20 days after the applicable deadline, \$50.

35 (c) If the statement is filed more than 20 days but not more  
36 than 30 days after the applicable deadline, \$100.

37 (d) If the statement is filed more than 30 days but not more  
38 than 45 days after the applicable deadline, \$250.

39 (e) If the statement is not filed or is filed more than 45 days  
40 after the applicable deadline, \$2,000.

41 4. For good cause shown, the Secretary of State may waive a  
42 civil penalty that would otherwise be imposed pursuant to this  
43 section. If the Secretary of State waives a civil penalty pursuant to  
44 this subsection, the Secretary of State shall:



\* S B 3 9 1 R 1 \*

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

4 (b) *Make the record created pursuant to paragraph (a)*  
5 *available for public inspection.*

6 **Sec. 2.3.** NRS 281.005 is hereby amended to read as follows:

7 281.005 As used in ~~[this chapter:]~~ *NRS 281.005 to 281.671,*  
8 *inclusive, and section 1.05 of this act, unless the context otherwise*  
9 *requires:*

10 1. "Public officer" means a person elected or appointed to a  
11 position which:

12 (a) Is established by the Constitution or a statute of this State, or  
13 by a charter or ordinance of a political subdivision of this State; and

14 (b) Involves the continuous exercise, as part of the regular and  
15 permanent administration of the government, of a public power,  
16 trust or duty.

17 2. "Special use vehicle" means any vehicle designed or used  
18 for the transportation of persons or property off paved highways.

19 **Sec. 2.35.** NRS 281.221 is hereby amended to read as follows:

20 281.221 1. Except as otherwise provided in this section ~~[:]~~  
21 *and NRS 281A.430,* it is unlawful for ~~[any:]~~ *a* state officer who is  
22 not a member of the Legislature to:

23 (a) Become a contractor under any contract or order for supplies  
24 or other kind of contract authorized by or for the State or any of its  
25 departments, or the Legislature or either of its houses, or to be  
26 interested, directly or indirectly, as principal, in any kind of contract  
27 so authorized.

28 (b) Be interested in any contract made by the officer or to be a  
29 purchaser or interested in any purchase under a sale made by the  
30 officer in the discharge of the officer's official duties.

31 2. ~~[Any:]~~ *A* member of any board, commission or similar body  
32 who is engaged in the profession, occupation or business regulated  
33 by the board, commission or body may supply or contract to supply,  
34 in the ordinary course of ~~[the member's]~~ *his or her* business, goods,  
35 materials or services to any state or local agency, except the board  
36 ~~[or commission of]~~ *, commission or body on* which he or she is a  
37 member, if the member has not taken part in developing the contract  
38 plans or specifications and the member will not be personally  
39 involved in opening, considering or accepting offers.

40 3. A full- or part-time faculty member in the Nevada System of  
41 Higher Education may bid on or enter into a contract with a  
42 governmental agency, or may benefit financially or otherwise from  
43 a contract between a governmental agency and a private entity, if  
44 the contract complies with the policies established by the Board of  
45 Regents of the University of Nevada pursuant to NRS 396.255.



4. A state officer, other than an officer described in subsection 2 or 3, may bid on or enter into a contract with a governmental agency if the contracting process is controlled by rules of open competitive bidding, the sources of supply are limited, the officer has not taken part in developing the contract plans or specifications and the officer will not be personally involved in opening, considering or accepting offers.

5. ~~[Any]~~ *In addition to any other penalties provided by law, any governmental contract made or other governmental action taken* in violation of this section may be declared void ~~[at the instance of the State or of any other person interested in the contract except an officer prohibited from making or being interested in the contract]~~.

~~6. Any person violating]~~ *pursuant to section 1.05 of this act.*

6. *A person who violates* this section is guilty of a gross misdemeanor and shall forfeit his or her office.

**Sec. 2.4.** NRS 281.230 is hereby amended to read as follows:

281.230 1. Except as otherwise provided in this section and NRS 218A.970, ~~[281A.530]~~ *281A.430* and 332.800, the following persons shall not, in any manner, directly or indirectly, receive any commission, personal profit or compensation of any kind resulting from any contract or other significant transaction in which the employing state, county, municipality, township, district or quasi-municipal corporation is in any way directly interested or affected:

(a) State, county, municipal, district and township officers of the State of Nevada;

(b) Deputies and employees of state, county, municipal, district and township officers; and

(c) Officers and employees of quasi-municipal corporations.

2. A member of any board, commission or similar body who is engaged in the profession, occupation or business regulated by the board, commission or body may, in the ordinary course of his or her business, bid on or enter into a contract with any governmental agency, except the board ~~[or commission of]~~, *commission or body on* which he or she is a member, if the member has not taken part in developing the contract plans or specifications and the member will not be personally involved in opening, considering or accepting offers.

3. A full- or part-time faculty member or employee of the Nevada System of Higher Education may bid on or enter into a contract with a governmental agency, or may benefit financially or otherwise from a contract between a governmental agency and a private entity, if the contract complies with the policies established by the Board of Regents of the University of Nevada pursuant to NRS 396.255.



4. A public officer or employee, other than an officer or employee described in subsection 2 or 3, may bid on or enter into a contract with a governmental agency if the contracting process is controlled by rules of open competitive bidding, the sources of supply are limited, the public officer or employee has not taken part in developing the contract plans or specifications and the public officer or employee will not be personally involved in opening, considering or accepting offers. If a public officer who is authorized to bid on or enter into a contract with a governmental agency pursuant to this subsection is a member of the governing body of the agency, the public officer, pursuant to the requirements of NRS 281A.420, shall disclose his or her interest in the contract and shall not vote on or advocate the approval of the contract.

5. A person who violates ~~any of the provisions of~~ this section shall be punished as provided in NRS 197.230 and:

(a) Where the commission, personal profit or compensation is \$250 or more, for a category D felony as provided in NRS 193.130.

(b) Where the commission, personal profit or compensation is less than \$250, for a misdemeanor.

6. *In addition to any other penalties provided by law:*

(a) A person who violates ~~the provisions of~~ this section shall pay any commission, personal profit or compensation resulting from the contract or transaction to the employing state, county, municipality, township, district or quasi-municipal corporation as restitution.

*(b) Any governmental contract made or other governmental action taken in violation of this section may be declared void pursuant to section 1.05 of this act.*

**Sec. 2.45.** Chapter 281A of NRS is hereby amended by adding thereto the provisions set forth as sections 2.5 to 7, inclusive, of this act.

**Sec. 2.5.** *“Agency” means any state or local agency.*

**Sec. 3.** *“Commitment in a private capacity to the interests of another person” means a commitment, interest or relationship of a public officer or employee to a person:*

*1. Who is the spouse or domestic partner of the public officer or employee;*

*2. Who is a member of the household of the public officer or employee;*

*3. Who is related to the public officer or employee, or to the spouse or domestic partner of the public officer or employee, by blood, adoption, marriage or domestic partnership within the third degree of relationship;*



1     4. Who employs the public officer or employee, the spouse or  
2     domestic partner of the public officer or employee or a member of  
3     the household of the public officer or employee;

4     5. With whom the public officer or employee has a  
5     substantial and continuing business relationship; or

6     6. With whom the public officer or employee has any other  
7     commitment, interest or relationship that is substantially similar to  
8     a commitment, interest or relationship described in subsections 1  
9     to 5, inclusive.

10    Sec. 3.3. "Domestic partner" means a person in a domestic  
11    partnership.

12    Sec. 3.5. "Domestic partnership" means:

13    1. A domestic partnership as defined in chapter 122A of  
14    NRS; or

15    2. A domestic partnership which was validly formed in  
16    another jurisdiction and which is substantially equivalent to a  
17    domestic partnership as defined in chapter 122A of NRS,  
18    regardless of whether it bears the name of a domestic partnership  
19    or is registered in this State.

20    Sec. 3.7. "Local agency" means any local legislative body,  
21    agency, bureau, board, commission, department, division, office or  
22    other unit of any county, city or other political subdivision.

23    Sec. 4. "Pecuniary interest" means any beneficial or  
24    detrimental interest in a matter that consists of or is measured in  
25    money or is otherwise related to money, including, without  
26    limitation:

27    1. Anything of economic value; and

28    2. Payments or other money which a person is owed or  
29    otherwise entitled to by virtue of any existing statute, regulation,  
30    code or ordinance or any contract or other agreement.

31    Sec. 5. (Deleted by amendment.)

32    Sec. 5.3. "State agency" means any agency, bureau, board,  
33    commission, department, division, office or other unit of the  
34    Executive Department of the State Government.

35    Sec. 5.5. In computing any period of time prescribed or  
36    allowed by this chapter:

37    1. If the period begins to run on the occurrence of an act or  
38    event, the day of the act or event is excluded from the  
39    computation.

40    2. The last day of the period is included in the computation,  
41    except that if the last day falls on a Saturday, Sunday, legal  
42    holiday or holiday proclaimed by the Governor or on a day on  
43    which the office of the Commission is not open for the conduct of  
44    business, the period is extended to the close of business on the  
45    next business day.



1     **Sec. 6. 1.** *Not later than January 15 of each year, a State*  
2 *Legislator or public officer who has, within the preceding year,*  
3 *represented or counseled a private person for compensation before*  
4 *an agency shall disclose for each occurrence of such*  
5 *representation or counseling during the previous calendar year:*

6     *(a) The name of the private person;*

7     *(b) The nature of the representation or counseling; and*

8     *(c) The name of the agency.*

9     **2.** *The disclosure required pursuant to subsection 1 must be*  
10 *made in writing and timely filed with the Commission on a form*  
11 *prescribed by the Commission. For the purposes of this*  
12 *subsection, the disclosure is timely filed if, on or before the last*  
13 *day for filing, the disclosure is:*

14     *(a) Delivered in person to the principal office of the*  
15 *Commission in Carson City.*

16     *(b) Mailed to the Commission by first-class mail, or other class*  
17 *of mail that is at least as expeditious, postage prepaid. Filing by*  
18 *mail is complete upon timely depositing the disclosure with the*  
19 *United States Postal Service.*

20     *(c) Dispatched to a third-party commercial carrier for delivery*  
21 *to the Commission within 3 calendar days. Filing by third-party*  
22 *commercial carrier is complete upon timely depositing the*  
23 *disclosure with the third-party commercial carrier.*

24     *(d) Transmitted to the Commission by facsimile machine or*  
25 *other electronic means authorized by the Commission. Filing by*  
26 *facsimile machine or other electronic means is complete upon*  
27 *receipt of the transmission by the Commission.*

28     **3.** *The Commission shall retain a disclosure filed pursuant to*  
29 *this section for 6 years after the date on which the disclosure was*  
30 *filed.*

31     **Sec. 7.** *The Commission may apply for and accept grants,*  
32 *contributions, services or money for the purposes of carrying out*  
33 *the provisions of this chapter only if the action is approved by*  
34 *majority vote in an open public meeting of the Commission.*

35     **Sec. 8.** NRS 281A.030 is hereby amended to read as follows:

36     281A.030 As used in this chapter, unless the context otherwise  
37 requires, the words and terms defined in NRS 281A.040 to  
38 281A.170, inclusive, *and sections 2.5 to 5.3, inclusive, of this act*  
39 *have the meanings ascribed to them in those sections.*

40     **Sec. 9.** NRS 281A.100 is hereby amended to read as follows:

41     281A.100 "Household" means an association of persons who  
42 live in the same home or dwelling, sharing its expenses . ~~[, and who~~  
43 ~~are related by blood, adoption or marriage.]~~



**Sec. 10.** NRS 281A.125 is hereby amended to read as follows:

281A.125 “Member of a local legislative body” means a member of a board of county commissioners, a governing body of a city or a governing body of any other political subdivision who performs any function that involves introducing, voting upon or otherwise acting upon any matter of a permanent or general character which may reflect public policy . ~~{and which is not typically restricted to identifiable persons or groups.}~~

**Sec. 11.** NRS 281A.160 is hereby amended to read as follows:

281A.160 1. “Public officer” means a person elected or appointed to a position which:

(a) Is established by the Constitution of the State of Nevada, a statute of this State or a charter or ordinance of any county, city or other political subdivision; and

(b) Involves the exercise of a public power, trust or duty. ~~{As used in this section, “the”}~~

**2. For the purposes of subsection 1:**

*(a) A position is established by the Constitution of the State of Nevada, a statute of this State or a charter or ordinance of any county, city or other political subdivision if the position is established or created directly by the source of authority or if the source of authority authorizes a public body or officer to establish or create the position.*

*(b) “The exercise of a public power, trust or duty” means:*

(1) Actions taken in an official capacity which involve a substantial and material exercise of administrative discretion in the formulation of public policy;

(2) The expenditure of public money; and

(3) The administration of laws and rules of the State or any county, city or other political subdivision.

~~{2-}~~ **3. “Public officer” includes, without limitation, a person appointed or employed, with or without compensation, to perform the duties of a position which is a public office or to serve in such a position on a temporary, interim or acting basis.**

**4. “Public officer” does not include:**

(a) Any justice, judge or other officer of the court system;

(b) Any member of a board, commission or other body whose function is advisory;

(c) Any member of a special district whose official duties do not include the formulation of a budget for the district or the authorization of the expenditure of the district’s money; or

(d) A county health officer appointed pursuant to NRS 439.290.

~~{3-}~~ **5. “Public office” does not include an office held by:**

(a) Any justice, judge or other officer of the court system;





(b) Any member of a board, commission or other body whose function is advisory;

(c) Any member of a special district whose official duties do not include the formulation of a budget for the district or the authorization of the expenditure of the district's money; or

(d) A county health officer appointed pursuant to NRS 439.290.

**Sec. 12.** NRS 281A.200 is hereby amended to read as follows:

281A.200 1. The Commission on Ethics, consisting of eight members, is hereby created.

2. The Legislative Commission shall appoint to the Commission four residents of the State, at least two of whom ~~are~~ *must be* former public officers ~~or~~ *or employees*, and at least one of whom must be an attorney licensed to practice law in this State.

3. The Governor shall appoint to the Commission four residents of the State, at least two of whom must be former public officers or ~~public~~ employees, and at least one of whom must be an attorney licensed to practice law in this State.

4. Not more than four members of the Commission may be members of the same political party. *The provisions of NRS 281.057 do not apply to this subsection.*

5. Not more than four members *of the Commission* may be residents of the same county.

~~5-1~~ 6. None of the members of the Commission may, while the member is serving on the Commission:

(a) Hold another public office;

(b) Be actively involved in the work of any political party or political campaign; or

(c) Communicate directly with a State Legislator or a member of a local legislative body on behalf of someone other than himself or herself or the Commission, for compensation, to influence:

(1) The State Legislator with regard to introducing or voting upon any matter or taking other legislative action; or

(2) The member of the local legislative body with regard to introducing or voting upon any ordinance or resolution, taking other legislative action or voting upon:

(I) The appropriation of public money;

(II) The issuance of a license or permit; or

(III) Any proposed subdivision of land or special exception or variance from zoning regulations.

~~6-1~~ 7. After the initial terms, the terms of the members are 4 years. Any vacancy in the membership must be filled by the appropriate appointing authority for the unexpired term. Each member may serve no more than two consecutive full terms.



**Sec. 13.** NRS 281A.240 is hereby amended to read as follows:

281A.240 1. In addition to any other duties imposed upon the Executive Director, the Executive Director shall:

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

(b) Receive requests for opinions pursuant to NRS 281A.440.

(c) Gather information and conduct investigations regarding requests for opinions received by the Commission and submit recommendations to the investigatory panel appointed pursuant to NRS 281A.220 regarding whether there is just and sufficient cause to render an opinion in response to a particular request.

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

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

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

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

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

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

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

*3. If the Executive Director is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Chair of the Commission shall designate a qualified person to perform the duties of the Executive Director with regard to that particular matter.*

**Sec. 14.** NRS 281A.260 is hereby amended to read as follows:

281A.260 1. The Commission Counsel is the legal adviser to the Commission. For each opinion of the Commission, the Commission Counsel shall prepare, at the direction of the Commission, the appropriate findings of fact and conclusions as to



1 relevant standards and the propriety of particular conduct . ~~[within~~  
2 ~~the time set forth in subsection 6 of NRS 281A.440.]~~ The  
3 Commission Counsel shall not issue written opinions concerning the  
4 applicability of the statutory ethical standards to a given set of facts  
5 and circumstances except as directed by the Commission.

6 2. The Commission may rely upon the legal advice of the  
7 Commission Counsel in conducting its daily operations.

8 3. If the Commission Counsel is prohibited from acting on a  
9 particular matter or is otherwise unable to act on a particular matter,  
10 the Commission may:

11 (a) Request that the Attorney General appoint a deputy to act in  
12 the place of the Commission Counsel; or

13 (b) Employ outside legal counsel.

14 **Sec. 15.** NRS 281A.270 is hereby amended to read as follows:

15 281A.270 1. Each county whose population is more than  
16 10,000 and each city whose population is more than 10,000 and that  
17 is located within such a county shall pay an assessment for the costs  
18 incurred by the Commission each biennium in carrying out its  
19 functions pursuant to this chapter. The total amount of money to be  
20 derived from assessments paid pursuant to this subsection for a  
21 biennium must be determined by the Legislature in the legislatively  
22 approved budget of the Commission for that biennium. The  
23 assessments must be apportioned among each such city and county  
24 based on the proportion that the total population of the city or the  
25 total population of the unincorporated area of the county bears to the  
26 total population of all such cities and the unincorporated areas of all  
27 such counties in this State.

28 2. On or before July 1 of each odd-numbered year, the  
29 Executive Director shall, in consultation with the Budget Division  
30 of the Department of Administration and the Fiscal Analysis  
31 Division of the Legislative Counsel Bureau, determine for the next  
32 ensuing biennium the amount of the assessments due for each city  
33 and county that is required to pay an assessment pursuant to  
34 subsection 1. The assessments must be paid to the Commission in  
35 semiannual installments that are due on or before August 1 and  
36 February 1 of each year of the biennium. The Executive Director  
37 shall send out a billing statement to each such city or county which  
38 states the amount of the semiannual installment payment due from  
39 the city or county.

40 3. Any money that the Commission receives pursuant to  
41 subsection 2:

42 (a) Must be deposited in the State Treasury, accounted for  
43 separately in the State General Fund and credited to the budget  
44 account for the Commission;



\* S B 3 9 1 R 1 \*

(b) May only be used to carry out the provisions of this chapter and only to the extent authorized for expenditure by the Legislature;

~~{and}~~

(c) Does not revert to the State General Fund at the end of any fiscal year ~~{-}~~; and

*(d) Does not revert to a city or county if:*

*(1) The actual expenditures by the Commission are less than the amount of the assessments approved by the Legislature pursuant to subsection 1 and the city or county has already remitted its semiannual installment to the Commission for the billing period; or*

*(2) The budget of the Commission is modified after the amount of the assessments has been approved by the Legislature pursuant to subsection 1 and the city or county has already remitted its semiannual installment to the Commission for the billing period.*

4. If any installment payment is not paid on or before the date on which it is due, the Executive Director shall make reasonable efforts to collect the delinquent payment. If the Executive Director is not able to collect the arrearage, the Executive Director shall submit a claim for the amount of the unpaid installment payment to the Department of Taxation. If the Department of Taxation receives such a claim, the Department shall deduct the amount of the claim from money that would otherwise be allocated from the Local Government Tax Distribution Account to the city or county that owes the installment payment and shall transfer that amount to the Commission.

5. As used in this section, "population" means the current population estimate for that city or county as determined and published by the Department of Taxation and the demographer employed pursuant to NRS 360.283.

**Sec. 16.** NRS 281A.290 is hereby amended to read as follows:

281A.290 The Commission shall:

1. Adopt ~~{procedural}~~ regulations:

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

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

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

(d) To facilitate the prompt rendition of opinions by the Commission ~~{-}~~; and

*(e) Which are proper or necessary to carry out the provisions of this chapter.*

2. Prescribe, by regulation, ~~{forms for the submission of statements of financial disclosure and procedures for the submission~~



\* S B 3 9 1 R 1 \*

~~of statements of financial disclosure filed pursuant to NRS 281A.600 and~~ forms and procedures for the submission of statements of acknowledgment filed by public officers pursuant to NRS 281A.500, maintain files of such statements and make the statements available for public inspection.

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

~~4. [Except as otherwise provided in NRS 281A.600, inform]~~ *Inform* the Attorney General or district attorney of all cases of noncompliance with the requirements of this chapter.

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

6. Publish a manual for the use of public officers and employees that contains:

(a) Hypothetical opinions which are abstracted from opinions rendered pursuant to subsection 1 of NRS 281A.440, for the future guidance of all persons concerned with ethical standards in government;

(b) Abstracts of selected opinions rendered pursuant to subsection 2 of NRS 281A.440; and

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

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

**Sec. 17.** NRS 281A.300 is hereby amended to read as follows:

281A.300 1. The Chair and Vice Chair of the Commission may administer oaths.

2. The Commission, upon majority vote, may issue a subpoena to compel the attendance of a witness and the production of books and papers. Upon the request of the Executive Director or the public officer or ~~public~~ employee who is the subject of a request for an opinion, the Chair or, in the Chair's absence, the Vice Chair, may issue a subpoena to compel the attendance of a witness and the production of books and papers. *A public officer or employee who requests the issuance of a subpoena pursuant to this subsection must serve the subpoena in the manner provided in the Nevada Rules of Civil Procedure for service of subpoenas in a civil action and must pay the costs of such service.*

3. Before issuing a subpoena to a public officer or ~~public~~ employee who is the subject of a request for an opinion ~~[ ]~~ *to compel his or her attendance as a witness or his or her production of books or papers*, the Executive Director shall submit a written request to the public officer or ~~public~~ employee requesting:



1 (a) The appearance of the public officer or ~~public~~ employee as  
2 a witness; or

3 (b) The production by the public officer or ~~public~~ employee of  
4 any books and papers relating to the request for an opinion.

5 4. Each written request submitted by the Executive Director  
6 pursuant to subsection 3 must specify the time and place for the  
7 attendance of the public officer or ~~public~~ employee or the  
8 production of any books and papers, and designate with certainty  
9 the books and papers requested, if any. If the public officer or  
10 ~~public~~ employee fails or refuses to attend at the time and place  
11 specified or produce the books and papers requested by the  
12 Executive Director within 5 business days after receipt of the  
13 request, the Chair may issue the subpoena. Failure of the public  
14 officer or ~~public~~ employee to comply with the written request of  
15 the Executive Director shall be deemed a waiver by the public  
16 officer or ~~public~~ employee of the time set forth in subsections 4, 5  
17 and 6 of NRS 281A.440.

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

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

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

26 (c) The witness has failed or refused to attend or produce the  
27 books and papers required by the subpoena before the Commission,  
28 or has refused to answer questions propounded to the witness, and  
29 asking for an order of the court compelling the witness to attend and  
30 testify or produce the books and papers before the Commission.

31 6. Upon such a petition, the court shall enter an order directing  
32 the witness to appear before the court at a time and place to be fixed  
33 by the court in its order, the time to be not more than 10 days after  
34 the date of the order, and then and there show cause why the witness  
35 has not attended, testified or produced the books or papers before  
36 the Commission. A certified copy of the order must be served upon  
37 the witness.

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



**Sec. 18.** NRS 281A.400 is hereby amended to read as follows:

281A.400 A code of ethical standards is hereby established to govern the conduct of public officers and employees:

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

2. A public officer or employee shall not use the public officer's or employee's position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for ~~the~~ :

(a) *The* public officer or employee ~~[-any]~~ ;

(b) *Any* business entity in which the public officer or employee has a significant pecuniary interest ~~[-or any]~~ ; or

(c) *Any* person to whom the public officer or employee has a commitment in a private capacity to the interests of that person. ~~[As used in this subsection:~~

~~—(a) “Commitment in a private capacity to the interests of that person” has the meaning ascribed to “commitment in a private capacity to the interests of others” in subsection 8 of NRS 281A.420.~~

~~—(b) “Unwarranted” means without justification or adequate reason.]~~

3. A public officer or employee shall not participate as an agent of government in the negotiation , ~~for~~ execution *or approval* of a contract between the government and ~~any~~ :

(a) *The public officer or employee;*

(b) *Any* business entity in which the public officer or employee has a significant pecuniary interest ~~[-]~~ ; or

(c) *Any person to whom the public officer or employee has a commitment in a private capacity to the interests of that person.*

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

5. If a public officer or employee acquires, through the public officer's or employee's public duties or relationships, any information which by law or practice is not at the time available to people generally, the public officer or employee shall not use the information to further ~~the~~ *a significant* pecuniary ~~[interests of the]~~ *interest of:*

(a) *The* public officer or employee ; or ~~any]~~

(b) *Any* other person or business entity.



\* S B 3 9 1 R 1 \*



6. A public officer or employee shall not suppress any governmental report or other *official* document because it might tend to affect unfavorably ~~[the public officer's or employee's]~~ *a significant pecuniary [interests.] interest of:*

(a) *The public officer or employee;*

(b) *Any business entity in which the public officer or employee has a significant pecuniary interest; or*

(c) *Any person to whom the public officer or employee has a commitment in a private capacity to the interests of that person.*

7. Except for State Legislators who are subject to the restrictions set forth in subsection 8, a public officer or employee shall not use governmental time, property, equipment or other facility to benefit ~~[the public officer's or employee's]~~ *a significant personal [or financial interest.] or pecuniary interest of the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest, or any person to whom the public officer or employee has a commitment in a private capacity to the interests of that person.* This subsection does not prohibit:

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

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

(2) The use does not interfere with the performance of the public officer's or employee's public duties;

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

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

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

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

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

8. A State Legislator shall not:

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

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



(I) The use does not interfere with the performance of the State Legislator's public duties;

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

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

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

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

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

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

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

9. A public officer or employee shall not, *through the influence of a subordinate*, attempt to benefit ~~[the public officer's or employee's]~~ *a significant* personal ~~[or financial interest through the influence of a subordinate.]~~ *or pecuniary interest of:*

*(a) The public officer or employee;*

*(b) Any business entity in which the public officer or employee has a significant pecuniary interest; or*

*(c) Any person to whom the public officer or employee has a commitment in a private capacity to the interests of that person.*

10. ~~[A]~~ *Except as otherwise provided in this subsection, a public officer or employee shall not use the public officer's or employee's position in government to seek other employment or contracts* ~~[through the use of the public officer's or employee's official position.]~~ *for:*

*(a) The public officer or employee;*

*(b) Any business entity in which the public officer or employee has a significant pecuniary interest; or*

*(c) Any person to whom the public officer or employee has a commitment in a private capacity to the interests of that person.*

➤ *A public officer or employee may state or affirm that he or she holds a position as a public officer or employee and may describe or discuss his or her functions, duties and experiences as a public officer or employee, including, without limitation, providing such information on a resume or other application for future employment or appointment or election to a public office.*



\* S B 3 9 1 R 1 \*

1       **Sec. 19.** NRS 281A.410 is hereby amended to read as follows:

2       281A.410 ~~[In addition to the requirements of the code of~~  
3 ~~ethical standards:]~~

4       1. ~~[If a]~~ *Except as otherwise provided in this section, a* public  
5 officer or employee ~~[serves in a state agency of the Executive~~  
6 ~~Department or an agency of any county, city or other political~~  
7 ~~subdivision, the public officer or employee:~~

8       — ~~(a) Shall~~ *shall* not ~~[accept]~~ :

9       (a) *Accept additional* compensation ~~[from any private person]~~ to  
10 represent or counsel ~~[the]~~ *a* private person on any issue pending  
11 before *the Legislature or any agency, including* the agency in  
12 which that public officer or employee serves ; ~~[, if the agency makes~~  
13 ~~decisions;]~~ and

14       (b) If the public officer or employee leaves the service of ~~[the]~~  
15 *an* agency ~~[, shall not,]~~ , for 1 year after ~~[leaving the service of the~~  
16 ~~agency, represent or counsel for]~~ *the termination of his or her*  
17 *service, accept* compensation *to represent or counsel* a private  
18 person ~~[upon]~~ *on* any issue which was under consideration by the  
19 agency during the public officer's or employee's service. As used in  
20 this paragraph, "issue" includes a case, proceeding, application,  
21 contract or determination, but does not include the proposal or  
22 consideration of legislative measures or administrative regulations.

23       2. A State Legislator or a member of a local legislative body,  
24 or a public officer or employee whose public service requires less  
25 than half of his or her time, may represent or counsel a private  
26 person before an agency in which he or she does not serve. ~~[Any~~  
27 ~~other public officer or employee shall not represent or counsel a~~  
28 ~~private person for compensation before any state agency of the~~  
29 ~~Executive or Legislative Department.~~

30       — 3. ~~Not later than January 15 of each year, any State Legislator~~  
31 ~~or other public officer who has, within the preceding year,~~  
32 ~~represented or counseled a private person for compensation before a~~  
33 ~~state agency of the Executive Department shall disclose for each~~  
34 ~~such representation or counseling during the previous calendar year:~~

35       — (a) The name of the client;

36       — (b) The nature of the representation; and

37       — (c) The name of the state agency.

38       — 4. ~~The disclosure required by subsection 3 must be made in~~  
39 ~~writing and filed with the Commission on a form prescribed by the~~  
40 ~~Commission. For the purposes of this subsection, the disclosure is~~  
41 ~~timely filed if, on or before the last day for filing, the disclosure is~~  
42 ~~filed in one of the following ways:~~

43       — (a) ~~Delivered in person to the principal office of the~~  
44 ~~Commission in Carson City.~~



\* S B 3 9 1 R 1 \*

~~(b) Mailed to the Commission by first class mail, or other class of mail that is at least as expeditious, postage prepaid. Filing by mail is complete upon timely depositing the disclosure with the United States Postal Service.~~

~~(c) Dispatched to a third party commercial carrier for delivery to the Commission within 3 calendar days. Filing by third party commercial carrier is complete upon timely depositing the disclosure with the third party commercial carrier.~~

~~5. The Commission shall retain a disclosure filed pursuant to subsections 3 and 4 for 6 years after the date on which the disclosure was filed.]~~

*3. A former member of the Public Utilities Commission of Nevada shall not:*

*(a) Be employed by a public utility or parent organization or subsidiary of a public utility; or*

*(b) Appear before the Public Utilities Commission of Nevada to testify on behalf of a public utility or parent organization or subsidiary of a public utility,*

*↳ for 1 year after the termination of the member's service on the Public Utilities Commission of Nevada.*

*4. A former member of the State Gaming Control Board or the Nevada Gaming Commission shall not:*

*(a) Appear before the State Gaming Control Board or the Nevada Gaming Commission on behalf of a person who holds a license issued pursuant to chapter 463 or 464 of NRS or who is required to register with the Nevada Gaming Commission pursuant to chapter 463 of NRS; or*

*(b) Be employed by such a person,*

*↳ for 1 year after the termination of the member's service on the State Gaming Control Board or the Nevada Gaming Commission.*

*5. In addition to the other prohibitions set forth in this section, and except as otherwise provided in subsection 6, a former public officer or employee of an agency, except a clerical employee, shall not solicit or accept employment from a business or industry whose activities are governed by regulations adopted by the agency for 1 year after the termination of the former public officer's or employee's service or period of employment if:*

*(a) The former public officer's or employee's principal duties included the formulation of policy contained in the regulations governing that business or industry;*

*(b) During the immediately preceding year, the former public officer or employee directly performed activities, or controlled or influenced an audit, decision, investigation or other action, which significantly affected that business or industry; or*



(c) As a result of the former public officer's or employee's governmental service or employment, the former public officer or employee possesses knowledge of the trade secrets of a direct competitor in that business or industry.

6. The provisions of subsection 5 do not apply to a former public officer who was a member of the governing body of a state agency if:

(a) The former public officer is engaged in the profession, occupation or business regulated by the state agency;

(b) The former public officer holds a license issued by the state agency; and

(c) Holding a license issued by the state agency is a requirement for membership on the governing body of the state agency.

7. In addition to the other prohibitions set forth in this section, a former public officer or employee of an agency, except a clerical employee, shall not solicit or accept employment from a person to whom a contract for supplies, materials, equipment or services was awarded by the agency for 1 year after the termination of the public officer's or employee's service or period of employment, if:

(a) The amount of the contract exceeded \$25,000;

(b) The contract was awarded within the 12-month period immediately preceding the termination of the public officer's or employee's service or period of employment; and

(c) The position held by the former public officer or employee at the time the contract was awarded allowed the former public officer or employee to affect or influence the awarding of the contract.

8. The Commission may relieve a current or former public officer or employee from the strict application of the provisions of this section if:

(a) The current or former public officer or employee requests an opinion from the Commission pursuant to NRS 281A.440; and

(b) The Commission determines that such relief is not contrary to:

(1) The best interests of the public;

(2) The continued ethical integrity of the agency; and

(3) The provisions of this chapter.

9. As used in this section, "regulation" has the meaning ascribed to it in NRS 233B.038 and also includes regulations adopted by an agency that is not subject to the requirements of chapter 233B of NRS.



\* S B 3 9 1 R 1 \*

**Sec. 20.** NRS 281A.420 is hereby amended to read as follows:

281A.420 1. Except as otherwise provided in this section, a public officer or employee shall not approve, disapprove, vote, abstain from voting or otherwise act upon a matter:

(a) Regarding which the public officer or employee has accepted a gift or loan;

(b) In which the public officer or employee has a *significant* pecuniary interest; or

(c) Which would reasonably be affected by the public officer's or employee's commitment in a private capacity to the ~~interest of others,~~ *interests of another person,*

↳ without disclosing ~~sufficient~~ information concerning the gift ~~or~~ loan, *significant pecuniary* interest or commitment *in a private capacity to the interests of the other person that is sufficient* to inform the public of the potential effect of the action or abstention upon the person who provided the gift or loan, upon the public officer's or employee's *significant* pecuniary interest, or upon the ~~persons~~ *person* to whom the public officer or employee has a commitment in a private capacity. Such a disclosure must be made at the time the matter is considered. If the public officer or employee is a member of a body which makes decisions, the public officer or employee shall make the disclosure in public to the chair and other members of the body. If the public officer or employee is not a member of such a body and holds an appointive office, the public officer or employee shall make the disclosure to the supervisory head of the public officer's or employee's organization or, if the public officer holds an elective office, to the general public in the area from which the public officer is elected.

2. The provisions of subsection 1 do not require a public officer to disclose:

(a) Any campaign contributions that the public officer reported in a timely manner pursuant to NRS 294A.120 or 294A.125; or

(b) Any contributions to a legal defense fund that the public officer reported in a timely manner pursuant to NRS 294A.286.

3. Except as otherwise provided in this section, in addition to the requirements of subsection 1, a public officer shall not vote upon or advocate the passage or failure of, but may otherwise participate in the consideration of, a matter with respect to which the independence of judgment of a reasonable person in the public officer's situation would be materially affected by:

(a) The public officer's acceptance of a gift or loan;

(b) The public officer's *significant* pecuniary interest; or

(c) The public officer's commitment in a private capacity to the interests of ~~others,~~ *another person.*

4. In interpreting and applying the provisions of subsection 3:



\* S B 3 9 1 R 1 \*

(a) It must be presumed that the independence of judgment of a reasonable person in the public officer's situation would not be materially affected by the public officer's *acceptance of a gift or loan, significant* pecuniary interest or ~~the public officer's~~ *another person* where the resulting benefit or detriment accruing to the public officer, or if the public officer has a commitment in a private capacity to the interests of ~~others,~~ *another person*, accruing to the other ~~persons,~~ *person*, is not greater than that accruing to any other member of ~~the~~ *any* general business, profession, occupation or group that is affected by the matter. The presumption set forth in this paragraph does not affect the applicability of the requirements set forth in subsection 1 relating to the disclosure of the *gift or loan, significant* pecuniary interest or commitment in a private capacity to the interests of ~~others,~~ *another person*.

(b) The Commission must give appropriate weight and proper deference to the public policy of this State which ~~favours~~ :

(1) *Favors* the right of a public officer to perform the duties for which the public officer was elected or appointed and to vote or otherwise act upon a matter, provided the public officer has properly disclosed the public officer's acceptance of a gift or loan, ~~the public officer's~~ *significant* pecuniary interest or ~~the public officer's~~ *another person* in the manner required by subsection 1 ~~Because~~ ; and

(2) *Acknowledges that* abstention by a public officer disrupts the normal course of representative government and deprives the public and the public officer's constituents of a voice in governmental affairs . ~~the provisions of this section are intended to require abstention only in clear cases where the independence of judgment of a reasonable person in the public officer's situation would be materially affected by the public officer's acceptance of a gift or loan, the public officer's pecuniary interest or the public officer's commitment in a private capacity to the interests of others.~~

5. Except as otherwise provided in NRS 241.0355, if a public officer declares to the body or committee in which the vote is to be taken that the public officer will abstain from voting because of the requirements of this section, the necessary quorum to act upon and the number of votes necessary to act upon the matter, as fixed by any statute, ordinance or rule, is reduced as though the member abstaining were not a member of the body or committee.

6. The provisions of this section do not, under any circumstances:

(a) Prohibit a member of a local legislative body from requesting or introducing a legislative measure; or





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

7. The provisions of this section do not, under any circumstances, apply to State Legislators or allow the Commission to exercise jurisdiction or authority over State Legislators. The responsibility of a State Legislator to make disclosures concerning gifts, loans, interests or commitments and the responsibility of a State Legislator to abstain from voting upon or advocating the passage or failure of a matter are governed by the Standing Rules of the Legislative Department of State Government which are adopted, administered and enforced exclusively by the appropriate bodies of the Legislative Department of State Government pursuant to Section 6 of Article 4 of the Nevada Constitution.

8. As used in this section ~~the~~:

~~—(a) “Commitment in a private capacity to the interests of others” means a commitment to a person:~~

~~—(1) Who is a member of the public officer’s or employee’s household;~~

~~—(2) Who is related to the public officer or employee by blood, adoption or marriage within the third degree of consanguinity or affinity;~~

~~—(3) Who employs the public officer or employee or a member of the public officer’s or employee’s household;~~

~~—(4) With whom the public officer or employee has a substantial and continuing business relationship; or~~

~~—(5) Any other commitment or relationship that is substantially similar to a commitment or relationship described in subparagraphs (1) to (4), inclusive, of this paragraph.~~

~~—(b) “Public”~~, *“public”* officer” and “public employee” do not include a State Legislator.

**Sec. 21.** NRS 281A.430 is hereby amended to read as follows:

281A.430 1. ~~[Except]~~ *Notwithstanding the provisions set forth in NRS 281.221 and 281.230, and except* as otherwise provided in this section and NRS ~~[281A.530]~~ *218A.970* and 332.800, a public officer or employee shall not, *directly or through a third party, perform any existing contract*, bid on or enter into ~~[a]~~ *any contract or modify or renew any contract if:*

*(a) The contract is between [a governmental] the agency in which the public officer or employee serves and [any]:*

*(1) The public officer or employee; or*

*(2) Any business entity in which the public officer or employee has a significant pecuniary interest [ ]; or*



(b) *The contract is between an agency that has any connection, relation or affiliation with the agency in which the public officer or employee serves and:*

*(1) The public officer or employee; or*

*(2) Any business entity in which the public officer or employee has a significant pecuniary interest,*

*↳ if the duties or services to be performed or provided for the agency pursuant to the contract are the same or similar duties performed by the public officer or employee for the agency in which he or she serves.*

~~2. [A member of any board, commission or similar body who is engaged in the profession, occupation or business regulated by such board, commission or body may, in the ordinary course of his or her business, bid on or enter into a contract with any governmental agency, except the board, commission or body on which he or she is a member, if the member has not taken part in developing the contract plans or specifications and the member will not be personally involved in opening, considering or accepting offers.] A public officer or employee may perform an existing contract, bid on or enter into a contract or modify or renew a contract with an agency in which the public officer or employee serves, or a related agency as described in paragraph (b) of subsection 1, if:~~

*(a) The contract is subject to competitive selection and, at the time the contract is bid on, entered into, modified or renewed:*

*(1) The contracting process is controlled by the rules of open competitive bidding or the rules of open competitive bidding are not used as a result of the applicability of NRS 332.112 or 332.148;*

*(2) The sources of supply are limited or no other person expresses an interest in the contract;*

*(3) The public officer or employee has not taken part in developing the contract plans or specifications; and*

*(4) The public officer or employee is not personally involved in opening, considering or accepting offers.*

*(b) The contract, by its nature, is not adapted to be awarded by competitive selection and, at the time the contract is bid on, entered into, modified or renewed:*

*(1) The public officer or employee has not taken part in developing the contract plans or specifications and is not personally involved in opening, considering or accepting offers; and*

*(2) The contract:*



\* S B 3 9 1 R 1 \*

1           (I) *Has been approved by the agency through the*  
2 *application of internal procedures in which a public officer or*  
3 *employee may obtain approval to engage in such contracts; or*

4           (II) *Is not exclusive to the public officer or employee*  
5 *and is the type of contract that is available to all persons with the*  
6 *requisite qualifications.*

7       3. A full- or part-time faculty member or employee of the  
8 Nevada System of Higher Education may *perform an existing*  
9 *contract*, bid on or enter into a contract *or modify or renew a*  
10 *contract* with ~~[a-governmental]~~ *an* agency, or may benefit  
11 financially or otherwise from a contract between ~~[a-governmental]~~  
12 *an* agency and a private entity, if the contract complies with the  
13 policies established by the Board of Regents of the University of  
14 Nevada pursuant to NRS 396.255.

15       4. ~~[A public officer or employee, other than a public officer or~~  
16 ~~employee described in subsection 2 or 3, may bid on or enter into a~~  
17 ~~contract with a governmental agency if:~~

18 ~~—(a) The contracting process is controlled by the rules of open~~  
19 ~~competitive bidding or the rules of open competitive bidding are not~~  
20 ~~employed as a result of the applicability of NRS 332.112 or~~  
21 ~~332.148;~~

22 ~~—(b) The sources of supply are limited;~~

23 ~~—(c) The public officer or employee has not taken part in~~  
24 ~~developing the contract plans or specifications; and~~

25 ~~—(d) The public officer or employee will not be personally~~  
26 ~~involved in opening, considering or accepting offers.~~

27 ➡ If a public officer who is authorized to *perform an existing*  
28 *contract*, bid on or enter into a contract *or modify or renew a*  
29 *contract* with ~~[a-governmental]~~ *an* agency pursuant to this  
30 ~~[subsection]~~ *section* is a member of the governing body of the  
31 agency, the public officer, pursuant to the requirements of NRS  
32 281A.420, shall disclose the public officer's interest in the contract  
33 and shall not vote on or advocate the approval of the contract.

34       5. *The purchase of goods or services by any county, city or*  
35 *other political subdivision upon a two-thirds vote of its governing*  
36 *body from a member of the governing body who is the sole source*  
37 *of supply within the area served by the governing body is not*  
38 *unlawful or unethical if the public notice of the meeting*  
39 *specifically mentioned that such a purchase would be discussed.*

40       6. *The Commission may relieve a public officer or employee*  
41 *from the strict application of the provisions of this section if:*

42       (a) *The public officer or employee requests an opinion from*  
43 *the Commission pursuant to NRS 281A.440; and*

44       (b) *The Commission determines that such relief is not contrary*  
45 *to:*



\* S B 3 9 1 R 1 \*

- (1) *The best interests of the public;*
- (2) *The continued ethical integrity of the agency; and*
- (3) *The provisions of this chapter.*

7. As used in this section, "contract , by its nature, is not adapted to be awarded by competitive selection" includes, without limitation:

(a) A contract for services which may only be contracted from a sole or limited source;

(b) A contract for professional services, including, without limitation, a contract for the services of:

(1) An expert witness;

(2) A professional engineer;

(3) A registered architect;

(4) An attorney;

(5) An accountant; or

(6) Any other professional, if the services of that professional are not adapted to competitive selection;

(c) A contract for services necessitated by an emergency affecting the national, state or local defense or an emergency caused by a natural or human-caused disaster or any other unforeseeable circumstances; or

(d) Any other contract which is open or available to the public at large.

**Sec. 22.** NRS 281A.440 is hereby amended to read as follows:

281A.440 1. The Commission shall render an opinion interpreting the statutory ethical standards and apply the standards to a given set of facts and circumstances within 45 days after receiving a request, on a form prescribed by the Commission, from a public officer or employee who is seeking guidance on questions which directly relate to the propriety of the requester's own past, present or future conduct as an officer or employee, unless the public officer or employee waives the time limit. ~~[The public officer or employee may also request the Commission to hold a public hearing regarding the requested opinion.]~~ If a requested opinion relates to the propriety of the requester's own present or future conduct, the opinion of the Commission is:

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

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



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

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

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

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

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

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

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

3. Upon receipt of a request for an opinion by the Commission or upon the motion of the Commission pursuant to subsection 2, the Executive Director shall investigate the facts and circumstances relating to the request to determine whether there is just and sufficient cause for the Commission to render an opinion in the matter. The Executive Director shall notify the public officer or employee who is the subject of the request and provide the public officer or employee an opportunity to submit to the Executive Director a response to the allegations against the public officer or employee within 30 days after the date on which the public officer or employee received the notice of the request. The purpose of the response is to provide the Executive Director with any information relevant to the request which the public officer or employee believes may assist the Executive Director and the investigatory panel in conducting the investigation. The public officer or employee is not required in the response or in any proceeding before the investigatory panel to assert, claim or raise any objection or defense, in law or fact, to the allegations against the public officer or employee and no objection or defense, in law or fact, is waived, abandoned or barred by the failure to assert, claim or raise it in the response or in any proceeding before the investigatory panel.

4. The Executive Director shall complete ~~the~~ *his or her* investigation and present a *written* recommendation relating to just and sufficient cause , *including, without limitation, the specific evidence or reasons that support the recommendation,* to the



1 investigatory panel within 70 days after the receipt of or the motion  
2 of the Commission for the request, unless the public officer or  
3 employee waives this time limit. ~~[If, after the investigation, the~~  
4 ~~Executive Director determines that there is just and sufficient cause~~  
5 ~~for the Commission to render an opinion in the matter, the~~  
6 ~~Executive Director shall state such a recommendation in writing,~~  
7 ~~including, without limitation, the specific evidence that supports the~~  
8 ~~Executive Director's recommendation. If, after the investigation, the~~  
9 ~~Executive Director determines that there is not just and sufficient~~  
10 ~~cause for the Commission to render an opinion in the matter, the~~  
11 ~~Executive Director shall state such a recommendation in writing,~~  
12 ~~including, without limitation, the specific reasons for the Executive~~  
13 ~~Director's recommendation.]~~

14 5. Within 15 days after the Executive Director has provided the  
15 ~~[Executive Director's]~~ recommendation in the matter to the  
16 investigatory panel ~~[ ]~~ *pursuant to subsection 4*, the investigatory  
17 panel shall *conclude the investigation and* make a final  
18 determination regarding whether there is just and sufficient cause  
19 for the Commission to render an opinion in the matter, unless the  
20 public officer or employee waives this time limit. The investigatory  
21 panel shall not determine that there is just and sufficient cause for  
22 the Commission to render an opinion in the matter unless the  
23 Executive Director has provided the public officer or employee an  
24 opportunity to respond to the allegations against the public officer or  
25 employee as required by subsection 3. The investigatory panel shall  
26 cause a record of its proceedings *to be made* in each matter. ~~[to be~~  
27 ~~kept, and such a]~~ *The record of the investigatory panel* must  
28 ~~[remain]~~ *be kept* confidential ~~[until the investigatory panel~~  
29 ~~determines whether there is just and sufficient cause for the~~  
30 ~~Commission to render an opinion in the matter.]~~ *by the Commission*  
31 *in the manner and for the period prescribed by subsection 8.*

32 6. If the investigatory panel determines that there is just and  
33 sufficient cause for the Commission to render an opinion in the  
34 matter, the Commission shall hold a hearing and render an opinion  
35 in the matter within 60 days after the determination of just and  
36 sufficient cause by the investigatory panel, unless the public officer or  
37 employee waives this time limit.

38 7. Each request for an opinion that a public officer or employee  
39 submits to the Commission pursuant to subsection 1, each opinion  
40 rendered by the Commission in response to such a request and any  
41 motion, determination, evidence or record of a hearing relating to  
42 such a request are confidential unless the public officer or employee  
43 who requested the opinion:

44 (a) Acts in contravention of the opinion, in which case the  
45 Commission may disclose the request for the opinion, the contents



1 of the opinion and any motion, evidence or record of a hearing  
2 related thereto;

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

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

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

23 9. ~~[Except as otherwise provided in paragraphs (a) and (b), the~~  
24 ~~proceedings of the investigatory panel are confidential until the~~  
25 ~~investigatory panel determines whether there is just and sufficient~~  
26 ~~cause to render an opinion in the matter. A person who:~~

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

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

33 ~~—(2) After the investigatory panel determines whether there is~~  
34 ~~just and sufficient cause to render an opinion in the matter, reveal to~~  
35 ~~a third party the fact that the person requested an opinion from the~~  
36 ~~Commission.~~

37 ~~—(b) Gives testimony before the Commission may:~~

38 ~~—(1) At any time, reveal to a third party the substance of~~  
39 ~~testimony that the person gave before the Commission.~~

40 ~~—(2) After the investigatory panel determines whether there is~~  
41 ~~just and sufficient cause to render an opinion in the matter, reveal to~~  
42 ~~a third party the fact that the person gave testimony before the~~  
43 ~~Commission.~~

44 ~~—10.]~~ Whenever the Commission holds a hearing pursuant to  
45 this section, the Commission shall:





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

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

(c) Allow the person to hear the evidence presented to the Commission and to respond and present evidence on the person's own behalf.

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

~~[H4.]~~ **10.** If a person who is not a party to a hearing before the Commission, including, without limitation, a person who has requested an opinion pursuant to paragraph (a) or (b) of subsection 2, wishes to ask a question of a witness at the hearing, the person must submit the question to the Executive Director in writing. The Executive Director may submit the question to the Commission if the Executive Director deems the question relevant and appropriate. This subsection does not require the Commission to ask any question submitted by a person who is not a party to the proceeding.

~~[H2.]~~ **11.** If a person who requests an opinion pursuant to subsection 1 or 2 does not:

(a) Submit all necessary information to the Commission; and

(b) Declare by oath or affirmation that the person will testify truthfully,

↪ the Commission may decline to render an opinion.

~~[H3.]~~ **12.** For good cause shown, the Commission may take testimony from a person by telephone or video conference.

~~[H4.]~~ **13.** For the purposes of NRS 41.032, the members of the Commission and its employees shall be deemed to be exercising or performing a discretionary function or duty when taking an action related to the rendering of an opinion pursuant to this section.

~~[H5.]~~ **14.** A meeting or hearing that the Commission or the investigatory panel holds to receive information or evidence concerning the propriety of the conduct of a public officer or employee pursuant to this section and the deliberations of the Commission and the investigatory panel on such information or evidence are not subject to the provisions of chapter 241 of NRS.

**Sec. 23.** NRS 281A.470 is hereby amended to read as follows:

281A.470 1. Any ~~[department, board, commission or other agency of the State]~~ **state agency** or the governing body of a county or an incorporated city may establish a specialized or local ethics committee to complement the functions of the Commission. A specialized or local ethics committee may:

(a) Establish a code of ethical standards suitable for the particular ethical problems encountered in its sphere of activity. The standards may not be less restrictive than the statutory ethical standards.



(b) Render an opinion upon the request of any public officer or employee of its own organization or level seeking an interpretation of its ethical standards on questions directly related to the propriety of the public officer's or employee's own future official conduct or refer the request to the Commission. Any public officer or employee subject to the jurisdiction of the committee shall direct the public officer's or employee's inquiry to that committee instead of the Commission.

(c) Require the filing of ~~statements of~~ financial disclosure *statements* by public officers on forms prescribed by the committee or the city clerk if the form has been:

(1) Submitted, at least 60 days before its anticipated distribution, to the ~~Commission~~ *Secretary of State* for review ~~of~~ *pursuant to section 1.95 of this act;* and

(2) Upon review, approved by the ~~Commission~~ *Secretary of State pursuant to that section.*

2. A specialized or local ethics committee shall not attempt to interpret or render an opinion regarding the statutory ethical standards.

3. Each request for an opinion submitted to a specialized or local ethics committee, each hearing held to obtain information on which to base an opinion, all deliberations relating to an opinion, each opinion rendered by a committee and any motion relating to the opinion are confidential unless:

(a) The public officer or employee acts in contravention of the opinion; or

(b) The requester discloses the content of the opinion.

**Sec. 24.** NRS 281A.500 is hereby amended to read as follows:

281A.500 1. *On or before the date on which a public officer takes office, the public officer must be informed of the statutory ethical standards and the duty to file an acknowledgment of the statutory ethical standards in accordance with this section by:*

(a) *For an appointed public officer, the appointing authority of the public officer; and*

(b) *For an elected public officer of, as applicable:*

(1) *The county and the other political subdivisions within the county except cities, the county clerk;*

(2) *The city, the city clerk;*

(3) *The Legislative Department of the State Government, the Director of the Legislative Counsel Bureau; and*

(4) *The Executive Department of the State Government, the Chief of the Budget Division of the Department of Administration.*

2. *Within 30 days after becoming a public employee:*

(a) *The Director of the Department of Personnel, or his or her designee, shall provide each new public employee of a state agency*



\* S B 3 9 1 R 1 \*

1 *with the information prepared by the Commission concerning the*  
2 *statutory ethical standards; and*

3 *(b) The manager of each local agency, or his or her designee,*  
4 *shall provide each new public employee of the local agency with*  
5 *the information prepared by the Commission concerning the*  
6 *statutory ethical standards.*

7 *3. Within 6 months after the date on which a public officer*  
8 *takes office or a public employee of a state agency begins*  
9 *employment, the public officer or employee shall complete a*  
10 *course on the statutory ethical standards conducted by the*  
11 *Executive Director pursuant to NRS 281A.240 or by a designee of*  
12 *the Executive Director.*

13 *4. Each public officer shall acknowledge that the public*  
14 *officer:*

15 (a) Has received, read and understands the statutory ethical  
16 standards; and

17 (b) Has a responsibility to inform himself or herself of any  
18 amendments to the statutory ethical standards as soon as reasonably  
19 practicable after each session of the Legislature.

20 ~~[2-]~~ 5. The acknowledgment must be executed on a form  
21 prescribed by the Commission and must be filed with the  
22 Commission:

23 (a) If the public officer is elected to office at the general  
24 election, on or before January 15 of the year following the public  
25 officer's election.

26 (b) If the public officer is elected to office at an election other  
27 than the general election or is appointed to office, on or before the  
28 30th day following the date on which the public officer takes office.

29 ~~[3-]~~ 6. Except as otherwise provided in this subsection, a  
30 public officer shall execute and file the acknowledgment once for  
31 each term of office. If the public officer serves at the pleasure of  
32 the appointing authority and does not have a definite term of office,  
33 the public officer, in addition to executing and filing the  
34 acknowledgment after the public officer takes office in accordance  
35 with subsection ~~[2-]~~ 5, shall execute and file the acknowledgment on  
36 or before January 15 of each even-numbered year while the public  
37 officer holds that office.

38 ~~[4-]~~ 7. For the purposes of this section, the acknowledgment is  
39 timely filed if, on or before the last day for filing, the  
40 acknowledgment is : ~~[filed in one of the following ways:]~~

41 (a) Delivered in person to the principal office of the  
42 Commission in Carson City.

43 (b) Mailed to the Commission by first-class mail, or other class  
44 of mail that is at least as expeditious, postage prepaid. Filing by mail



1 is complete upon timely depositing the acknowledgment with the  
2 United States Postal Service.

3 (c) Dispatched to a third-party commercial carrier for delivery to  
4 the Commission within 3 calendar days. Filing by third-party  
5 commercial carrier is complete upon timely depositing the  
6 acknowledgment with the third-party commercial carrier.

7 ~~[5-]~~ (d) *Transmitted to the Commission by facsimile machine*  
8 *or other electronic means authorized by the Commission. Filing by*  
9 *facsimile machine or other electronic means is complete upon*  
10 *receipt of the transmission by the Commission.*

11 8. The form for making the acknowledgment must contain:

12 (a) The address of the Internet website of the Commission where  
13 a public officer may view the statutory ethical standards and print a  
14 ~~hard~~ copy ~~[1-]~~ *of the standards;* and

15 (b) The telephone number and mailing address of the  
16 Commission where a public officer may make a request to obtain a  
17 ~~hard~~ *printed* copy of the statutory ethical standards from the  
18 Commission.

19 ~~[6-]~~ 9. Whenever the Commission, or any public officer or  
20 employee as part of the public officer's or employee's official  
21 duties, provides a public officer with a ~~hard~~ *printed* copy of the  
22 form for making the acknowledgment, a ~~hard~~ *printed* copy of the  
23 statutory ethical standards must be included with the form.

24 ~~[7-]~~ 10. The Commission shall retain each acknowledgment  
25 filed pursuant to this section for 6 years after the date on which the  
26 acknowledgment was filed.

27 ~~[8-]~~ 11. Willful refusal to execute and file the acknowledgment  
28 required by this section shall be deemed to be:

29 (a) A willful violation of this chapter for the purposes of NRS  
30 281A.480; and

31 (b) Nonfeasance in office for the purposes of NRS 283.440 and,  
32 if the public officer is removable from office pursuant to NRS  
33 283.440, the Commission may file a complaint in the appropriate  
34 court for removal of the public officer pursuant to that section. This  
35 paragraph grants an exclusive right to the Commission, and no other  
36 person may file a complaint against the public officer pursuant to  
37 NRS 283.440 based on any violation of this section.

38 ~~[9-]~~ 12. As used in this section, "general election" has the  
39 meaning ascribed to it in NRS 293.060.

40 **Sec. 24.5.** NRS 281A.540 is hereby amended to read as  
41 follows:

42 281A.540 ~~[1-]~~ In addition to any other penalties provided by  
43 law, ~~[a]~~ *any* governmental grant, contract or lease ~~entered into in~~  
44 ~~violation of this chapter is voidable by the State, county, city or~~  
45 ~~political subdivision. In a determination under this section of~~



~~whether to void a grant, contract or lease, the interests of innocent third parties who could be damaged must be taken into account. The Attorney General, district attorney or city attorney must give notice of the intent to void a grant, contract or lease under this section no later than 30 days after the Commission has determined that there has been a related violation of this chapter.~~

~~—2.— In addition to any other penalties provided by law, a contract prohibited by NRS 281.230 which is knowingly entered into by a person designated in subsection 1 of NRS 281.230 is void.~~

~~—3.— Any action taken by the State in violation of this chapter is voidable, except that the interests of innocent third parties in the nature of the violation must be taken into account. The Attorney General may also pursue any other available legal or equitable remedies.~~

~~—4.— In addition to any other penalties provided by law, the Attorney General may recover any fee, compensation, gift or benefit received by a person as a result of a violation of this chapter by a public officer. An action to recover pursuant to this section must be brought within 2 years after the violation or reasonable discovery of the violation.]~~ *made or other governmental action taken in violation of this chapter may be declared void pursuant to section 1.05 of this act.*

**Sec. 25.** (Deleted by amendment.)

**Sec. 26.** (Deleted by amendment.)

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

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

**Sec. 29.** (Deleted by amendment.)

**Sec. 30.** (Deleted by amendment.)

**Sec. 31.** (Deleted by amendment.)

**Sec. 32.** (Deleted by amendment.)

**Sec. 33.** NRS 218H.210 is hereby amended to read as follows:

218H.210 The registration statement of a lobbyist must contain the following information:

1. The registrant's full name, permanent address, place of business and temporary address while lobbying.

2. The full name and complete address of each person, if any, by whom the registrant is retained or employed or on whose behalf the registrant appears.

3. A listing of any direct business associations or partnerships involving any current member of the Legislature and the registrant or any person by whom the registrant is retained or employed. The listing must include any such association or partnership constituting a source of income or involving a debt or interest in real estate required to be disclosed in a ~~{statement of}~~ financial disclosure *statement* made by a candidate ~~{for public office or a}~~ *or* public



officer pursuant to ~~NRS 281A.620.~~ *sections 1.1 to 2.25, inclusive, of this act.*

4. The name of any current member of the Legislature for whom:

(a) The registrant; or

(b) Any person by whom the registrant is retained or employed, has, in connection with a political campaign of the Legislator, provided consulting, advertising or other professional services since the beginning of the preceding regular legislative session.

5. A description of the principal areas of interest on which the registrant expects to lobby.

6. If the registrant lobbies or purports to lobby on behalf of members, a statement of the number of members.

7. A declaration under penalty of perjury that none of the registrant's compensation or reimbursement is contingent, in whole or in part, upon the production of any legislative action.

**Sec. 34.** NRS 245.075 is hereby amended to read as follows:

245.075 1. Except as otherwise provided in NRS 281.230, 281A.430 ~~[-, 281A.530]~~ and 332.800, it is unlawful for any county officer, *directly or indirectly*, to be interested in any contract made by the county officer or *to* be a purchaser or ~~be~~ interested in any purchase of a sale made by the county officer in the discharge of his or her official duties.

2. Any contract made in violation of ~~subsection 1~~ *this section* may be declared void at the instance of the county interested or of any other person interested in the contract except the officer prohibited from making or being interested in the contract.

3. Any person ~~violating~~ *who violates* this section ~~[-, directly or indirectly.]~~ is guilty of a gross misdemeanor and shall forfeit his or her office.

**Sec. 35.** NRS 268.384 is hereby amended to read as follows:

268.384 1. Except as otherwise provided in NRS 281.230, 281A.430 ~~[-, 281A.530]~~ and 332.800, it is unlawful for any city officer, *directly or indirectly*, to be interested in any contract made by the city officer ~~[-]~~ or to be a purchaser or interested ~~[-, directly or indirectly.]~~ in any purchase of a sale made by the city officer in the discharge of *his or her* official duties.

2. Any person ~~violating~~ *who violates* this section is guilty of a gross misdemeanor and shall forfeit his or her office.

**Sec. 36.** NRS 268.386 is hereby amended to read as follows:

268.386 Any contract made in violation of NRS 268.384 may be declared void at the instance of the city interested or of any other person interested in the contract except ~~an~~ *the* officer prohibited from making or being interested in the contract.



\* S B 3 9 1 R 1 \*

**Sec. 37.** NRS 269.071 is hereby amended to read as follows:

269.071 1. ~~[[~~ *Except as otherwise provided in NRS 281.230, 281A.430 and 332.800, it* is unlawful for any member of a town board or board of county commissioners acting for any town to become a contractor under any contract or order for supplies or any other kind of contract authorized by or for the board of which he or she is a member, or to be interested, directly or indirectly, as principal ~~]~~ in any kind of contract so authorized.

2. Any person ~~[violating subsection 1]~~ *who violates this section* is guilty of a gross misdemeanor and shall forfeit his or her office.

**Sec. 38.** NRS 269.072 is hereby amended to read as follows:

269.072 1. ~~[[~~ *Except as otherwise provided in NRS 281.230, 281A.430 and 332.800, it* is unlawful for any town officer, directly or indirectly, to be interested in any contract made by the town officer ~~]~~ or *to* be a purchaser or ~~[be]~~ interested in any purchase under a sale made by the town officer in the discharge of *his or her* official duties.

2. Any person ~~[violating subsection 1]~~ *who violates this section* is guilty of a gross misdemeanor and shall forfeit his or her office.

**Sec. 39.** NRS 269.073 is hereby amended to read as follows:

269.073 Any contract made in violation of NRS 269.071 or 269.072 may be declared void at the instance of the town or any person interested in the contract except ~~[an]~~ *the* officer prohibited from making or being interested in the contract.

**Sec. 40.** Chapter 294A of NRS is hereby amended by adding thereto a new section to read as follows:

*If a candidate is required to file a financial disclosure statement pursuant to sections 1.1 to 2.25, inclusive, of this act, the candidate shall file the statement with the Secretary of State in accordance with those provisions.*

**Sec. 41.** NRS 332.800 is hereby amended to read as follows:

332.800 1. Except as otherwise provided in NRS 281.230 ~~]~~ *and* 281A.430 , ~~[and 281A.530,]~~ a member of the governing body may not be interested, directly or indirectly, in any contract entered into by the governing body, but the governing body may purchase supplies, not to exceed \$1,500 in the aggregate in any 1 calendar month , from a member of such governing body ~~]~~ when not to do so would be of great inconvenience due to a lack of any other local source.

2. An evaluator may not be interested, directly or indirectly, in any contract awarded by such governing body or its authorized representative.





1        3. A member of a governing body who furnishes supplies in  
2 the manner permitted by subsection 1 may not vote on the allowance  
3 of the claim for such supplies.

4        4. A ~~[violation of]~~ *person who violates* this section is *guilty of*  
5 a misdemeanor and, in the case of a member of a governing body, *a*  
6 *violation is* cause for removal from office.

7        **Sec. 42.** 1. Any administrative regulations adopted by an  
8 officer, agency or other entity whose name has been changed or  
9 whose responsibilities have been transferred pursuant to the  
10 provisions of this act to another officer, agency or other entity  
11 remain in force until amended by the officer, agency or other entity  
12 to which the responsibility for the adoption of the regulations has  
13 been transferred.

14        2. Any contracts or other agreements entered into by an officer,  
15 agency or other entity whose name has been changed or whose  
16 responsibilities have been transferred pursuant to the provisions of  
17 this act to another officer, agency or other entity are binding upon  
18 the officer, agency or other entity to which the responsibility for the  
19 administration of the provisions of the contract or other agreement  
20 has been transferred. Such contracts and other agreements may be  
21 enforced by the officer, agency or other entity to which the  
22 responsibility for the enforcement of the provisions of the contract  
23 or other agreement has been transferred.

24        3. Any action taken by an officer, agency or other entity whose  
25 name has been changed or whose responsibilities have been  
26 transferred pursuant to the provisions of this act to another officer,  
27 agency or other entity remains in effect as if taken by the officer,  
28 agency or other entity to which the responsibility for the  
29 enforcement of such actions has been transferred.

30        **Sec. 43.** The Legislative Counsel shall, in preparing  
31 supplements to the Nevada Administrative Code, appropriately  
32 change any references to an officer, agency or other entity whose  
33 name is changed or whose duties are transferred pursuant to the  
34 provisions of this act to refer to the appropriate officer, agency or  
35 other entity.

36        **Sec. 44.** NRS 281A.530, 281A.550, 281A.600, 281A.610,  
37 281A.620, 281A.630, 281A.640, 281A.650 and 281A.660 are  
38 hereby repealed.

39        **Sec. 45.** 1. This section and sections 1 to 23, inclusive, and  
40 24.5 to 44, inclusive, of this act become effective upon passage and  
41 approval.

42        2. Section 24 of this act becomes effective on January 1, 2012.



\* S B 3 9 1 R 1 \*

---

---

## LEADLINES OF REPEALED SECTIONS

---

---

**281A.530** Purchase of goods or services by local government from member of governing body not unlawful or unethical; conditions.

**281A.550** Employment of certain former public officers and employees by regulated businesses prohibited; certain former public officers and employees prohibited from soliciting or accepting employment from certain persons contracting with State or local government; determination by Commission.

**281A.600** Filing by certain appointed public officers with Commission; Commission to notify Secretary of State of public officers who fail to file or fail to file in timely manner; date on which statement deemed filed.

**281A.610** Filing by certain candidates for public office and certain elected public officers with Secretary of State; date on which statement deemed filed; form; regulations.

**281A.620** Contents; distribution of forms; costs related to production and distribution of forms.

**281A.630** Retention by Commission or Secretary of State.

**281A.640** Certain public officers required to submit electronically to Commission and Secretary of State list of public officers required to file statement and candidates for public office.

**281A.650** Candidates for public office to receive form and instructions for completion of form.

**281A.660** Civil penalty for failure to disclose: Procedure; amount; waiver.

