

THE SEVENTY-NINTH DAY

CARSON CITY (Tuesday), April 26, 2011

Assembly called to order at 12 noon.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Albert Tilstra.

We thank You, Lord, that there is no weather in heaven. Let not the cold of this day get into our hearts or minds. May we be warm and cheerful, secure in the knowledge that You are still here, that no clouds can blot You out, no rain or sleet or snow drive You away.

As winter is still blowing her icy breath along the city's streets, our love goes out to all who need encouragement, to all who lack food and clothing, to all who are cold and cheerless, to all who long for home and friendship.

Help us, in our blessedness, to be more willing to share the good things of life. Give us generosity and concern for others that shall mark us as Your followers.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Conklin moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Commerce and Labor, to which was referred Assembly Bill No. 77, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

KELVIN ATKINSON, *Chair*

Mr. Speaker:

Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 115, 122, 240, 257, 265, 304, 334, 365, 419, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Government Affairs, to which was referred Assembly Bill No. 422, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Government Affairs, to which was referred Assembly Bill No. 549, has had the same under consideration, and begs leave to report the same back with the recommendation: Without recommendation.

MARILYN K. KIRKPATRICK, *Chair*

Mr. Speaker:

Your Committee on Judiciary, to which were referred Assembly Bills Nos. 93, 223, 388, 394, 448, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Judiciary, to which was referred Assembly Bill No. 136, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Judiciary, to which was referred Assembly Bill No. 412, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM C. HORNE, *Chair*

Mr. Speaker:

Your Committee on Legislative Operations and Elections, to which were referred Assembly Bills Nos. 100, 452, 473, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

TICK SEGERBLOM, *Chair*

Mr. Speaker:

Your Committee on Taxation, to which was referred Assembly Bill No. 443, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, without recommendation, and rerefer to the Committee on Ways and Means.

Also, your Committee on Taxation, to which was referred Senate Bill No. 31, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARILYN K. KIRKPATRICK, *Chair*

MOTIONS, RESOLUTIONS AND NOTICES

NOTICE OF EXEMPTION

April 26, 2011

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Assembly Bills Nos. 74, 98 and 406.

RICK COMBS
Fiscal Analysis Division

Assemblyman Conklin moved that for this legislative day all rules be suspended, reading so far had considered Second Reading, rules further suspended, the reprinting of all measures be dispensed with, and all bills and joint resolutions be declared emergency measures under the Constitution and immediately placed on third reading and final passage.

Motion carried

Assemblyman Conklin moved that for this legislative day, all bills and joint resolutions reported out of committee with amendments and all bills and joint resolutions taken off the Chief Clerk's desk for purposes of amendment be placed at the top of General File.

Motion carried.

Assemblyman Conklin moved that Assembly Bills Nos. 182, 212, and 508 be taken from the Chief Clerk's desk and placed on the General File.

Motion carried.

Assemblyman Conklin moved that upon return from the printer, Assembly Bills Nos. 74, 98, 404, 406, and 542 be rereferred to the Committee on Ways and Means.

Motion carried.

Senate Joint Resolution No. 12.

Assemblyman Conklin moved that the resolution be referred to the Committee on Natural Resources, Agriculture, and Mining.

Motion carried.

Assemblyman Atkinson moved that Assembly Bill No. 199 be taken from the Chief Clerk's desk and placed on the General File.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 21.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 99.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 201.

Assemblyman Conklin moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Senate Bill No. 213.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 266.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 267.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 291.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 292.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 314.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 315.

Assemblyman Conklin moved that the bill be referred to the Committee on Education.

Motion carried.

Senate Bill No. 328.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 331.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 351.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 356.

Assemblyman Conklin moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Senate Bill No. 367.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 368.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 377.

Assemblyman Conklin moved that the bill be referred to the Committee on Taxation.

Motion carried.

Senate Bill No. 384.

Assemblyman Conklin moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Senate Bill No. 385.

Assemblyman Conklin moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Senate Bill No. 405.

Assemblyman Conklin moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Senate Bill No. 414.

Assemblyman Conklin moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 420.

Assemblyman Conklin moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Senate Bill No. 487.

Assemblyman Conklin moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 182.

Bill read third time.

The following amendment was proposed by Assemblywoman Kirkpatrick:

Amendment No. 515.

AN ACT relating to inland ports; authorizing the creation of inland ports and inland port authorities under certain circumstances; requiring the Commission on Economic Development to develop a State Plan for Inland Ports; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 10-13 of this bill authorize, upon approval by the Commission on Economic Development, the creation of an inland port and an inland port authority by one or more boards of county commissioners of counties or one or more governing bodies of incorporated cities, or both. **Section 14** of this bill sets forth the membership of a board of directors of an inland port authority.

Sections 19-27 of this bill set forth powers and duties of an inland port authority.

Section 31 of this bill requires the Commission on Economic Development to: (1) develop a State Plan for Inland Ports; and (2) set forth the requirements for the creation of an inland port.

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

Section 1. Title 22 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 30, inclusive, of this act.

Sec. 2. *This chapter may be known and cited as the Inland Port Authority Act.*

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

Sec. 4. *“Authority” means an inland port authority created pursuant to this chapter.*

Sec. 5. *“Board” means the board of directors of an authority.*

Sec. 6. *“Commission” means the Commission on Economic Development created by NRS 231.030.*

Sec. 7. *“Inland port” means an area located away from traditional borders but having direct access to highway, railway and air transport facilities and, if applicable, intermodal facilities.*

Sec. 8. *“Participating entity” means the board of county commissioners of a county or the governing body of an incorporated city.*

Sec. 9. *The Legislature hereby finds and declares that the creation of an inland port:*

1. Is essential to:

(a) Develop and diversify the economy of the State;

(b) Provide employment opportunities for Nevadans; and

(c) Develop and expand transportation and commerce in this State.

2. Will facilitate commerce and economic development in this State through:

(a) Strategic investment in multimodal transportation assets; and

(b) Comprehensive planning, development, management and operation of facilities and supporting infrastructure for transportation, commercial processing and domestic and international trade.

Sec. 10. *1. Subject to the requirements set forth in this section and sections 11, 12 and 13 of this act, an inland port may be created only in a contiguous area that:*

(a) Includes ~~++~~ at least two of the following:

(1) A municipally owned airport with a runway of at least ~~[5,500]~~ 4,500 feet. ~~++~~

(2) A portion of a highway that is part of the National Highway System. ~~[, and]~~

(3) Operating assets of at least one Class I railroad as classified by the Surface Transportation Board.

(b) Does not include any residential property.

2. All areas within the boundaries of an inland port must be within the boundaries of the county or counties and incorporated city or cities, as applicable, of the one or more participating entities which apply to the Commission pursuant to section 11 of this act for the creation of the inland port.

3. If the boundaries of an inland port will include a municipally owned airport as described in subparagraph (1) of paragraph (a) of subsection 1, the municipality that owns and operates the airport must:

(a) Be a participating entity; or

(b) If the municipality is not a participating entity, the municipality, by ordinance, approves of the inclusion of the airport within the boundaries of the inland port.

Sec. 11. 1. One or more participating entities may apply to the Commission to create, operate and maintain an inland port and authority.

2. A participating entity is eligible to apply to the Commission pursuant to subsection 1 if the county or incorporated city, as applicable, of the participating entity is located in whole or in part within the proposed boundaries of the inland port.

3. The Commission may approve the creation of an inland port and authority if the proposed inland port and authority conform to the State Plan for Inland Ports developed by the Commission pursuant to section 31 of this act.

Sec. 12. 1. If the Commission approves the creation of an inland port and authority pursuant to section 11 of this act, each participating entity shall hold at least two public hearings to discuss the creation of the inland port and authority.

2. The participating entity shall give notice of the hearing by publication in a newspaper published in the county not later than 7 days before the hearing. The notice must include, without limitation:

(a) The date, time and place for the hearing;

(b) The boundaries of the proposed inland port, including, without limitation, a map of the proposed inland port; and

(c) The powers of the proposed authority.

Sec. 13. If a participating entity obtains approval of the Commission for the creation of an inland port and authority pursuant to section 11 of this act, the participating entity shall create the inland port and authority by ordinance. The ordinance must include, without limitation:

1. A description of the boundaries of the inland port;

2. The location of the principal office of the authority;

3. The name of the inland port and authority; and

4. The number of directors who will compose the board of the authority pursuant to section 14 of this act.

Sec. 14. 1. An authority must be governed by a board of directors with an odd-numbered membership set by the participating entity or entities. If there is more than one participating entity, the membership of

the board of directors must be agreed to by all of the participating entities. The board of directors must be composed of:

(a) ~~Three directors appointed by the most populous city that is a participating entity, if any;~~

~~(b)~~ One director appointed by each county that is a participating entity, if any;

~~(c)~~ (b) One director appointed by each city that is a participating entity, ~~which is not described in paragraph (a),~~ if any;

(c) If the authority includes a municipally owned airport described in subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act, one director appointed by:

(1) In a county whose population is 700,000 or more, the department of aviation of the county; or

(2) In a county whose population is less than 700,000, the governing body of the airport authority, if any, and if there is not an airport authority, by the governing body of the municipality which owns the airport; and

(d) Any other directors appointed in accordance with this section and as provided in an ordinance adopted by a participating entity pursuant to section 13 of this act.

2. Except as otherwise provided in this section, the directors described in subsection 1 must be appointed to terms of 4 years. The terms must be staggered in such a manner that, to the extent possible, the terms of one-half of the directors will expire every 2 years. The initial directors of the authority shall, at the first meeting of the board after their appointment, draw lots to determine which directors will initially serve terms of 2 years and which will serve terms of 4 years. A director may be reappointed.

3. A vacancy occurring during the term of a director must be filled by the appointing participating entity for the unexpired term as soon as is reasonably practicable.

Sec. 15. 1. A director of a board must reside within the boundaries of the participating entity that appoints him or her.

2. The following persons are not eligible to be appointed to a board:

(a) An elected official of any governmental entity.

(b) An employee of a participating entity.

Sec. 16. 1. A majority of the board constitutes a quorum for the transaction of business. If a vacancy exists on the board, a majority of directors serving on the board constitutes a quorum.

2. The board shall annually elect a chair and vice chair. The vice chair presides in the absence of the chair.

3. The board may elect any other officers that it considers appropriate.

4. Each director serves without compensation and, while engaged in the business of the board, is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 17. All meetings of an authority must be conducted in accordance with the provisions of chapter 241 of NRS.

Sec. 18. 1. *The governing body of a county, city or other governmental entity may convey title or rights and easements to any real property to an authority to effect any purpose of the authority.*

2. *An authority may not exercise the power of eminent domain.*

Sec. 19. 1. *An authority may enter into an agreement that provides for the lease of rights-of-way, the granting of easements or the issuance of franchises, concessions, licenses or permits.*

2. *Except as otherwise provided in ~~subsection~~ subsections 3, 4 and 5, with the consent of any county, city or other governmental entity, an authority may:*

(a) *Use streets, alleys, roads, highways and other public ways of the county, city or other governmental entity; and*

(b) *Relocate, raise, reroute, change the grade of or alter, at the expense of the authority:*

(1) *A street, alley, highway, road or railroad;*

(2) *Electric lines and facilities;*

(3) *Telegraph and telephone properties and facilities;*

(4) *Pipelines and facilities;*

(5) *Conduits and facilities; and*

(6) *Other property,*

↪ *as necessary or useful in the construction, reconstruction, repair, maintenance and operation of the inland port.*

3. *An authority may not alter:*

(a) *A highway that is part of the state highway system without the consent of the Department of Transportation.*

(b) *A railroad without the consent of the railroad company.*

(c) A municipally owned airport.

4. If an inland port includes a municipally owned airport:

(a) An authority may not interfere with or exercise any control over commercial air transportation operations or airlines that operate at the airport; and

(b) The airport authority, department of aviation or other existing governing body that owns or manages the airport retains such ownership or management control.

5. Nothing in this section authorizes an authority to perform any action in violation of any requirement of federal law or condition to the receipt of federal money.

Sec. 20. *An authority may not provide retail utility services or duplicate a service or facility of another governmental entity.*

Sec. 21. *An authority may enter into an agreement with any person, including, without limitation, the United States or any other governmental entity, for any purpose of the authority.*

Sec. 22. *An authority may act jointly with any other person, private or public, inside or outside this State or the United States, in the performance of any power or duty under this chapter.*

Sec. 23. *An authority may purchase and pay premiums for insurance of any type in an amount considered necessary or advisable by the board.*

Sec. 24. *An authority may market, advertise and promote the use of the inland port that the authority constructs, owns, operates, regulates or maintains.*

Sec. 25. *An action against an authority must be brought in the county in which the principal office of the authority is located.*

Sec. 26. 1. *An authority shall establish and maintain rates, rentals, fees, charges or other compensation that is commercially reasonable and nondiscriminatory for the use of the facilities owned, constructed, operated, regulated or maintained by the authority.*

2. *An authority may accept any public or private funding, grant or donation.*

Sec. 27. *Notwithstanding any provision of this chapter to the contrary, an authority may not develop, operate or maintain a toll road.*

Sec. 28. 1. *If a participating entity wishes to withdraw from an authority with regard to which there is more than one participating entity, the participating entity shall:*

(a) Adopt an ordinance providing for the withdrawal;

(b) Obtain approval from the board; and

(c) Give notice to the other participating entity or entities of its intent to withdraw,

↪ at least 6 months before the date on which the withdrawal would be effective.

2. *Upon the withdrawal of a participating entity from the authority pursuant to subsection 1:*

(a) The boundaries of the inland port must be adjusted by the other participating entity or entities to comply with the provisions of section 10 of this act; or

(b) The authority must be dissolved pursuant to subsection 3 as soon as practicable.

3. *An authority is dissolved if:*

(a) The dissolution is approved by the board;

(b) The governing body of each participating entity agrees to the dissolution;

(c) All debts and other liabilities of the authority have been paid or discharged, or adequate provision has been made for the payment of all debts and other liabilities;

(d) There are no suits pending against the authority, or adequate provision has been made for the satisfaction of any judgment, order or decree that may be entered against the authority in any pending suit; and

(e) The authority has a commitment from another governmental entity to assume jurisdiction of all property of the authority.

Sec. 29. *At the request of the Commission, an authority shall report to the Commission on all issues and activities necessary for the*

administration of the authority as well as issues and activities pertaining to compliance with any rules or regulations set forth by the Commission for the creation, operation or maintenance of inland ports pursuant to section 31 of this act.

Sec. 30. *This chapter shall be liberally construed in order to facilitate economic development, trade and commerce in the State of Nevada.*

Sec. 31. Chapter 231 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commission on Economic Development shall:

(a) Develop a State Plan for Inland Ports. *The Plan must include, without limitation:*

(1) A comprehensive, long-term general plan for the physical development of inland ports which promotes, encourages and aids in the development of the economic interests of this State.

(2) Requirements for the creation of inland ports for the purposes of the Inland Port Authority Act which affect economic and industrial development.

(b) Promote, encourage and aid in the development of inland ports in this State.

(c) Identify sources of financing to assist local governments in developing or expanding inland ports.

(d) Encourage and assist local governments in planning and preparing projects for inland ports.

~~*(e) Arrange by cooperative agreements with local governments to serve as the single agency in the State from which relocating or expanding businesses may obtain all required permits to operate in an inland port.*~~

~~*(f) Promote close cooperation between local governments, other public agencies and private persons that have an interest in creating, operating or maintaining inland ports in the State.*~~

2. As used in this section, “inland port” has the meaning ascribed to it in section 7 of this act.

Sec. 32. NRS 231.020 is hereby amended to read as follows:

231.020 As used in NRS 231.020 to 231.139, inclusive, **and section 31 of this act**, unless the context otherwise requires, “motion pictures” includes feature films, movies made for broadcast on television and programs made for broadcast on television in episodes.

Sec. 33. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Assembly Bill No. 77.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 500.

AN ACT relating to mortgage lending; revising provisions relating to the licensing of escrow agents and escrow agencies; revising provisions relating to a surety bond or substitute security posted by an escrow agency; requiring the Commissioner of Mortgage Lending to establish certain fees; revising provisions relating to disciplinary action for an escrow agent or escrow agency; establishing provisions governing the arranging or servicing of loans in which an investor has an interest; requiring a mortgage broker who services a loan to make certain reports; ~~requiring a mortgage broker to provide to investors in a construction loan a performance bond conditioned upon faithful performance of the construction contract; requiring certain information to be disclosed to investors in loans; requiring a subsidiary or holding company of certain entities to comply with statutes governing mortgage brokers and mortgage agents;~~ exempting certain natural persons and nonprofit organizations from statutes governing mortgage brokers and mortgage agents; revising provisions relating to a surety bond posted by a mortgage broker; requiring a mortgage broker to review an impound trust account annually; revising provisions relating to the renewal of a license as a mortgage banker; enacting requirements for mortgage brokers and for mortgage bankers to make the statutory schemes governing the two professions more similar; allowing disclosure of certain confidential information relating to an investigation; enacting provisions for the enforcement of the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008; requiring the licensing of a person who performs the services of a construction control; requiring the licensing of a provider of certain additional services as a provider of covered services; revising provisions relating to compensation for a provider of covered services; increasing certain administrative fines; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs the conduct of escrow agents and escrow agencies and requires the Commissioner of Mortgage Lending to supervise and control the conduct of escrow agents and escrow agencies within this State. (Chapter 645A of NRS) **Section 3.5 of this bill includes the performance of the services of a construction control within the definition of escrow.** **Sections 4 and 5** of this bill revise provisions relating to the licensing of escrow agents and escrow agencies. ~~Sections 6 and 7~~ **Section 6** of this bill ~~revises~~ **revises** provisions relating to the surety bond posted by an escrow agency. **Sections 8 and 9** of this bill revise provisions relating to the fees and costs relating to escrow agents and escrow agencies that the Commissioner is authorized to collect. **Sections 2 and 10-12** of this bill revise provisions relating to discipline for activities relating to escrow agents and escrow agencies.

Existing law governs the conduct of mortgage agents and mortgage brokers and requires the Commissioner of Mortgage Lending to supervise and control the conduct of mortgage agents and mortgage brokers within this State. (Chapter 645B of NRS) ~~{Section 19 of this bill requires a mortgage broker to provide to investors in a construction loan a performance bond conditioned upon faithful performance of the construction contract. Sections 20, 32 and 39 of this bill require a mortgage broker to disclose certain information to investors in loans.}~~ **Sections 21, 22, 24, 25, 34 and 37** of this bill establish provisions governing the arranging or servicing of loans by a mortgage broker in which an investor has an interest. **Section 44** of this bill revises the exemptions from the statutes governing mortgage agents and mortgage brokers. **Sections 47, 48 and 49** of this bill revise provisions relating to a surety bond posted by a mortgage broker. **Section 53** of this bill authorizes the Commissioner to disclose certain confidential information relating to an investigation. **Section 56** of this bill requires a mortgage broker to review an impound trust account annually.

Existing law governs the conduct of mortgage bankers and requires the Commissioner of Mortgage Lending to supervise and control the conduct of mortgage bankers within this State. (Chapter 645E of NRS) **Section 72** of this bill revises the exemptions from the statutes governing mortgage bankers. **Section 81** of this bill authorizes the Commissioner to disclose certain confidential information relating to an investigation.

Existing law requires the Commissioner to adopt regulations concerning the licensing of persons who provide certain covered services. (NRS 645F.390) ~~{Section 89 of this bill requires the Commissioner to adopt regulations relating to the licensing of persons who perform the services of a construction control.}~~ **Section 96** of this bill includes additional services within the definition of “covered services.” **Section 101** of this bill revises provisions governing the compensation a provider of covered services may receive.

~~{Sections 7 and 49 of this bill allow the Commissioner to make a claim on certain surety bonds without bringing an action in court in certain circumstances.}~~

Sections 42, 45, 46, 50-55, 59, 60, 62-64, 67, 69, 73, 76, 79-82 and 99 of this bill enact or revise provisions to implement the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008.

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

Section 1. NRS 645.8725 is hereby amended to read as follows:

645.8725 “Escrow” has the meaning ascribed to it in subsection ~~{2}~~ **4** of NRS 645A.010.

Sec. 1.3. NRS 645.8731 is hereby amended to read as follows:

645.8731 “Escrow agent” has the meaning ascribed to it in subsection ~~{2}~~ **4** of NRS 645A.010.

~~[Section 1.]~~ **Sec. 1.7.** Chapter 645A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *If a person offers or provides any of the services of an escrow agent or escrow agency or otherwise engages in, carries on or holds himself or herself out as engaging in or carrying on the business of an escrow agent or escrow agency and, at the time:*

1. The person was required to have a license pursuant to this chapter and the person did not have such a license; or

2. The person's license was suspended or revoked pursuant to this chapter,

↪ the Commissioner shall impose upon the person an administrative fine of not more than \$25,000 for each violation and, if the person has a license, the Commissioner may suspend or revoke it.

Sec. 3. *1. If an escrow agency is not a natural person, the escrow agency must designate a natural person as a qualified employee to act on behalf of the escrow agency.*

2. The Division shall adopt regulations regarding a qualified employee, including, without limitation, regulations that establish:

(a) A definition for the term "qualified employee";

(b) Any duties of a qualified employee; and

(c) Any requirements regarding a qualified employee.

Sec. 3.5. NRS 645A.010 is hereby amended to read as follows:

645A.010 As used in this chapter, unless the context otherwise requires:

1. "Commissioner" means the Commissioner of Mortgage Lending.

2. "Construction control" has the meaning ascribed to it in NRS 627.050.

3. "Division" means the Division of Mortgage Lending of the Department of Business and Industry.

~~Escrow~~ 4. "Escrow" means any transaction wherein one person, for the purpose of effecting the sale, transfer, encumbering or leasing of real or personal property to another person, delivers any written instrument, money, evidence of title to real or personal property, or other thing of value to a third person until the happening of a specified event or the performance of a prescribed condition, when it is then to be delivered by such third person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee, bailor or any agent or employee of any of the latter. The term includes the collection of payments and the performance of related services by a third person in connection with a loan secured by a lien on real property.~~;~~

~~4.]~~ and the performance of the services of a construction control.

5. "Escrow agency" means:

(a) Any person who employs one or more escrow agents; or

(b) An escrow agent who administers escrows on his or her own behalf.

~~Escrow~~ 6. "Escrow agent" means any person engaged in the business of administering escrows for compensation.

Sec. 4. NRS 645A.020 is hereby amended to read as follows:

645A.020 1. A person who wishes to be licensed as an escrow agent or agency must file a written application in the Office of the Commissioner.

2. The application must:

- (a) Be verified.
- (b) Be accompanied by the appropriate fee prescribed in NRS 645A.040.
- (c) State the location of the applicant's principal office and branch offices in the State and residence address.
- (d) State the name under which the applicant will conduct business.
- (e) List the names, residence and business addresses of all persons having an interest in the business as principals, partners, officers, trustees or directors, specifying the capacity and title of each.
- (f) Indicate the general plan and character of the business.
- (g) State the length of time the applicant has been engaged in the escrow business.
- (h) Require a financial statement of the applicant.
- (i) Require such other information as the Commissioner determines necessary.

(j) If for an escrow agency, designate a natural person to receive service of process in this State for the agency.

(k) ***Include a complete set of the fingerprints of the applicant or, if the applicant is not a natural person, a complete set of the fingerprints of each person who will have an interest in the escrow agency as a principal, partner, officer, director or trustee, and written permission authorizing the Division to forward the fingerprint to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.***

(l) Include all information required to complete the application.

3. If the Commissioner determines, after investigation, that the experience, character, financial condition, business reputation and general fitness of the applicant are such as to command the confidence of the public and to warrant the belief that the business conducted will protect and safeguard the public, the Commissioner shall issue a license to the applicant as an escrow agent or agency.

4. The Commissioner may waive the investigation required by subsection 3 if the applicant submits with the application satisfactory proof that the applicant, in good standing, currently holds a license, or held a license, within 1 year before the date the applicant submits his or her application, which was issued pursuant to the provisions of NRS 692A.103.

5. An escrow agent or agency shall immediately notify the Division of any material change in the information contained in the application.

6. A person may not be licensed as an escrow agent or agency or be a principal, ***partner***, officer, director or trustee of an escrow agency if the person is the holder of an active license issued pursuant to chapter 645 of NRS.

7. If the Commissioner finds that additional information is required to consider the application, the Commissioner shall send a letter to the applicant which specifies the additional requirements that the applicant must satisfy within 30 days after receiving the letter to obtain a license. If the applicant does not satisfy all additional requirements set forth in the letter within 30 days after receipt of the letter, the application will be deemed to have been denied, and the applicant must reapply to obtain a license. The Commissioner may, for good cause, extend the 30-day period prescribed in this subsection.

Sec. 5. NRS 645A.040 is hereby amended to read as follows:

645A.040 1. Every license issued pursuant to the provisions of this chapter expires on July 1 of each year if it is not renewed. A license may be renewed by filing an application for renewal, paying the annual fee for the succeeding year and submitting all information required to complete the renewal.

2. The fees for the issuance or renewal of a license for an escrow agency are:

(a) For filing an application for an initial license, \$500 for the principal office and \$100 for each branch office.

(b) If the license is approved for issuance, \$200 for the principal office and \$100 for each branch office. The fee must be paid before issuance of the license.

(c) For filing an application for renewal, \$200 for the principal office and \$100 for each branch office.

3. The fees for the issuance or renewal of a license for an escrow agent are:

(a) For filing an application for an initial license or for the renewal of a license, \$100.

(b) If a license is approved for issuance or renewal, \$25. The fee must be paid before the issuance or renewal of the license.

4. If a licensee fails to pay the fee or submit all required information for the annual renewal of his or her license before its expiration, the license may be renewed only upon the payment of a fee one and one-half times the amount otherwise required for renewal. A license may be renewed pursuant to this subsection only if all the fees are paid and all required information is submitted within ~~1 year~~ **2 months** after the date on which the license expired.

5. In addition to the other fees set forth in this section, each applicant or licensee shall pay:

(a) For filing an application for a duplicate copy of any license, upon satisfactory showing of its loss, \$10.

(b) For filing any change of information contained in the application, \$10.

(c) For each change of association with an escrow agency, \$25.

6. Except as otherwise provided in this chapter, all fees received pursuant to this chapter must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

Sec. 6. NRS 645A.041 is hereby amended to read as follows:

645A.041 1. Except as otherwise provided in NRS 645A.042, as a condition to doing business in this State, each escrow agency shall deposit with the Commissioner and keep in full force and effect a corporate surety bond payable to the State of Nevada, in the amount set forth in subsection 4, which is executed by a corporate surety satisfactory to the Commissioner and which names as principals the escrow agency and all escrow agents employed by or associated with the escrow agency.

2. At the time of filing an application for a license as an escrow agent, the applicant shall file with the Commissioner proof that the applicant is named as a principal on the corporate surety bond deposited with the Commissioner by the escrow agency with whom he or she is associated or employed.

3. The bond must be in substantially the following form:

Know All Persons by These Presents, that, as principal, and, as surety, are held and firmly bound unto the State of Nevada for the use and benefit of any person who suffers damages because of a violation of any of the provisions of chapter 645A of NRS, in the sum of, lawful money of the United States, to be paid to the State of Nevada for such use and benefit, for which payment well and truly to be made, and that we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of that obligation is such that: Whereas, the principal has been issued a license as an escrow agency or escrow agent by the Commissioner of Mortgage Lending of the Department of Business and Industry of the State of Nevada and is required to furnish a bond, which is conditioned as set forth in this bond:

Now, therefore, if the principal, his or her agents and employees, strictly, honestly and faithfully comply with the provisions of chapter 645A of NRS, and pay all damages suffered by any person because of a violation of any of the provisions of chapter 645A of NRS, or by reason of any fraud, dishonesty, misrepresentation or concealment of material facts growing out of any transaction governed by the provisions of chapter 645A of NRS, then this obligation is void; otherwise it remains in full force.

This bond becomes effective on the(day) of(month) of(year), and remains in force until the surety is released from liability by the Commissioner of Mortgage Lending or until this bond is cancelled by the surety. The surety may cancel this bond and be relieved of further liability hereunder by giving 60 days' written notice to the principal and to the Commissioner of Mortgage Lending of the Department of Business and Industry of the State of Nevada.

In Witness Whereof, the seal and signature of the principal hereto is affixed, and the corporate seal and the name of the surety hereto is affixed and attested by its authorized officers at, Nevada, this(day) of(month) of(year).

.....(Seal)
Principal
.....(Seal)
Surety
By.....
Attorney-in-fact

Nevada Licensed

~~{resident agent}~~ **Insurance Agent**

4. Each escrow agency shall deposit a corporate surety bond that complies with the provisions of this section or a substitute form of security that complies with the provisions of NRS 645A.042 in the following amount based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency pursuant to NRS 645A.160:

AVERAGE MONTHLY BALANCE	AMOUNT OF BOND OR SECURITY REQUIRED
\$50,000 or less.....	\$20,000
More than \$50,000 but not more than \$250,000.....	50,000
More than \$250,000 but not more than \$500,000.....	100,000
More than \$500,000 but not more than \$750,000.....	150,000
More than \$750,000 but not more than \$1,000,000.....	200,000
More than \$1,000,000.....	250,000

The Commissioner shall determine the appropriate amount of the surety bond or substitute form of security that must be deposited initially by the escrow agency based upon the expected average monthly balance of the trust account or escrow account maintained by the escrow agency pursuant to NRS 645A.160. After the initial deposit, the Commissioner shall, on a semiannual ~~for an annual~~ basis, determine the appropriate amount of the surety bond or substitute form of security that must be deposited by the escrow agency based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency pursuant to NRS 645A.160. ~~{for the 6 months immediately preceding the date on which the license expires.}~~

5. A bond used to satisfy the requirements of NRS 627.180 or a substitute for that bond which satisfies the requirements of NRS 627.183 may be used to satisfy the requirements of this section if:

(a) The amount required by NRS 627.180 for a bond is not less than the amount required by this section for a bond; or

(b) The amount required by NRS 627.180 for a bond is less than the amount required by this section for a bond, and the escrow agency deposits

an additional bond in an amount not less than the difference between the amount required by NRS 627.180 and the amount required by this section.

Sec. 7. (Deleted by amendment.)

Sec. 8. NRS 645A.065 is hereby amended to read as follows:

645A.065 1. The Commissioner shall establish by regulation the fees to be paid by ~~escrow agencies~~ **all persons subject to the provisions of this chapter** for the supervision, **investigation** and examination of such ~~agencies~~ **persons** by the Commissioner or the Division.

2. In establishing the fees, the Commissioner shall consider:

(a) The complexity of the various **investigations and** examinations to which the fees apply;

(b) The skill required to conduct such **investigations and** examinations;

(c) The expenses associated with conducting such **investigations and** examinations and preparing reports; and

(d) Any other factors the Commissioner deems relevant.

3. The Commissioner shall adopt regulations prescribing the standards for determining whether an escrow agency has maintained adequate supervision of an escrow agent pursuant to the provisions of this chapter.

Sec. 9. NRS 645A.085 is hereby amended to read as follows:

645A.085 1. An escrow agency shall immediately notify the Commissioner of any change in the ownership of 5 percent or more of its outstanding voting stock.

2. An application must be submitted to the Commissioner, pursuant to NRS 645A.020, by a person who acquires:

(a) At least 25 percent of the outstanding voting stock of an escrow agency; or

(b) Any outstanding voting stock of an escrow agency if the change will result in a change in the control of the escrow agency.

3. Except as otherwise provided in subsection 5, the Commissioner shall conduct an investigation to determine whether the applicant has the experience, character, financial condition, business reputation and general fitness to command the confidence of the public and to warrant the belief that the business conducted will protect and safeguard the public. If the Commissioner denies the application, the Commissioner may forbid the applicant from participating in the business of the escrow agency.

4. The escrow agency with which the applicant is affiliated shall pay ~~for a portion of~~ the cost of the investigation as the Commissioner requires. All money received by the Commissioner pursuant to this section must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

5. An escrow agency may submit a written request to the Commissioner to waive an investigation pursuant to subsection 3. The Commissioner may grant a waiver if the applicant has undergone a similar investigation by a state or federal agency in connection with the licensing of or his or her employment with a financial institution.

Sec. 10. NRS 645A.090 is hereby amended to read as follows:

645A.090 1. The Commissioner may refuse to license any escrow agent or agency or may suspend, ~~for~~ revoke **or place conditions upon** any license or impose a fine **on any person** of not more than ~~[\$10,000]~~ **\$25,000** for each violation by entering an order to that effect, with the Commissioner's findings in respect thereto, if upon a hearing, it is determined that the applicant, ~~for~~ licensee ~~for~~ **or person**:

- (a) In the case of an escrow agency, is insolvent;
- (b) Has violated any provision of this chapter, ~~for~~ any regulation adopted pursuant thereto or **an order of the Commissioner** or has aided and abetted another to do so;
- (c) In the case of an escrow agency, is in such a financial condition that he or she cannot continue in business with safety to his or her customers;
- (d) Has committed fraud in connection with any transaction governed by this chapter;
- (e) Has intentionally or knowingly made any misrepresentation or false statement to, or concealed any essential or material fact from, any principal or designated agent of a principal in the course of the escrow business;
- (f) Has intentionally or knowingly made or caused to be made to the Commissioner any false representation of a material fact or has suppressed or withheld from the Commissioner any information which the applicant, ~~for~~ licensee **or person** possesses;
- (g) Has failed without reasonable cause to furnish to the parties of an escrow their respective statements of the settlement within a reasonable time after the close of escrow;
- (h) Has failed without reasonable cause to deliver, within a reasonable time after the close of escrow, to the respective parties of an escrow transaction any money, documents or other properties held in escrow in violation of the provisions of the escrow instructions;
- (i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter;
- (j) Has been convicted of, **entered or agreed to enter a plea of guilty or nolo contendere to**, a felony relating to the practice of escrow agents or agencies or any **felony or** misdemeanor of which an essential element is **an act of** fraud ~~for~~, **dishonesty or a breach of trust, moral turpitude or money laundering**;
- (k) In the case of an escrow agency, has failed to maintain complete and accurate records of all transactions within the last 6 years;
- (l) Has commingled the money of others with his or her own or converted the money of others to his or her own use;
- (m) Has failed, before the close of escrow, to obtain written escrow instructions concerning any essential or material fact or intentionally failed to follow the written instructions which have been agreed upon by the parties and accepted by the holder of the escrow;

(n) Has failed to disclose in writing that he or she is acting in the dual capacity of escrow agent or agency and undisclosed principal in any transaction; ~~for~~

(o) In the case of an escrow agency, has:

(1) Failed to maintain adequate supervision of an escrow agent; or

(2) Instructed an escrow agent to commit an act which would be cause for the revocation of the escrow agent's license and the escrow agent committed the act. An escrow agent is not subject to disciplinary action **by the Commissioner** for committing such an act under instruction by the escrow agency ~~for~~; ~~for~~

(p) In the case of an escrow agency, if the applicant or licensee is a partnership, corporation or unincorporated association, has a member of the partnership or an officer or director of the corporation or unincorporated association who has been convicted of, entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court relating to the practice of escrow agents or agencies, or any felony or misdemeanor of which an essential element is an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering ~~for~~; or

(q) In the case of a person who performs the services of a construction control, has failed to comply with the provisions of chapter 627 of NRS.

2. It is sufficient cause for the imposition of a fine or the refusal, suspension or revocation of , **or the placement of conditions upon**, the license of a partnership, corporation or any other association that any member of the partnership or any officer or director of the corporation or association has been guilty of any act or omission which would be cause for such action had the applicant or licensee been a natural person.

3. The Commissioner may suspend any license for not more than 30 days, pending a hearing, if upon examination into the affairs of the licensee it is determined that any of the grounds enumerated in subsection 1 or 2 exist.

4. The Commissioner may refuse to issue a license to any person who, within 10 years before the date of applying for a current license, has had suspended or revoked a license issued pursuant to this chapter or a comparable license issued by any other state, district or territory of the United States or any foreign country.

5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 11. NRS 645A.100 is hereby amended to read as follows:

645A.100 1. Notice of the entry of any order of suspension , ~~for~~ revocation or **placement of conditions upon a license or** of imposing a fine or refusing a license to any escrow agent or agency must be given in writing, served personally or sent by certified mail or by telegram to the last known address of the agent or agency affected.

2. The agent or agency, upon application, is entitled to a hearing. If an application is not made within 20 days after the entry of the order, the Commissioner shall enter a final order.

Sec. 12. NRS 645A.235 is hereby amended to read as follows:

645A.235 1. ~~{The holder of}~~ ***A person who engages in an activity for which*** a license as an escrow agent or escrow agency ~~{may be}~~ ***is required pursuant to this chapter, without regard to whether such a person is licensed pursuant to this chapter, may be required*** by the Commissioner to pay restitution to any person who has suffered an economic loss as a result of a violation of the provisions of this chapter or any regulation adopted pursuant thereto.

2. Notwithstanding the provision of paragraph (m) of subsection 1 of NRS 622A.120, payment of restitution pursuant to subsection 1 shall be done in a manner consistent with the provisions of chapter 622A of NRS.

Sec. 13. Chapter 645B of NRS is hereby amended by adding thereto the provisions set forth as sections ~~{14}~~ **16** to ~~{40}~~ **40.7**, inclusive, of this act.

Sec. 14. ~~(Deleted by amendment.)~~

Sec. 15. ~~(Deleted by amendment.)~~

Sec. 16. ***“Dwelling” has the meaning ascribed to it in section 103(v) of the federal Truth in Lending Act, 15 U.S.C. § 1602(v).***

Sec. 17. ~~(Deleted by amendment.)~~

Sec. 17.5. ***1. “Loan processor” means a natural person who:***
(a) Receives, collects, distributes or analyzes information that is commonly used for the processing of a residential mortgage loan; and
(b) Communicates with a consumer to obtain the information necessary for the activities described in paragraph (a).

2. The communication described in paragraph (b) of subsection 1 does not include communication offering or negotiating loan rates or terms or counseling consumers about residential mortgage loan rates or terms.

Sec. 18. ***“Majority of the investors” means the investors holding 51 percent or more of the beneficial interests in a loan.***

Sec. 19. ~~(Deleted by amendment.)~~

Sec. 20. ~~(Deleted by amendment.)~~

Sec. 21. ***A mortgage broker shall not accept money from an investor to acquire ownership of or a beneficial interest in a loan which has more than one investor at the time of origination unless the mortgage broker provides to each investor a form which allows the investor to choose one of the following options:***

1. That, upon receipt of a written request submitted by another investor who owns or has a beneficial interest in the loan, the mortgage broker may provide to that other investor the name, address, telephone number and electronic mail address of the investor;

2. That, upon receipt of a written request submitted by another investor who owns or has a beneficial interest in the loan, the mortgage broker may

provide to that other investor the name, address, telephone number and electronic mail address of the investor only if the loan is in default; or

3. That the address, telephone number and electronic mail address of the investor must remain confidential and that the mortgage broker may not provide that information to any other investor unless the investor provides the mortgage broker with subsequent written permission to provide such information to other investors.

Sec. 22. 1. A mortgage broker who makes or arranges a loan shall not include in any loan document a provision which requires a private investor to participate in ~~[mandatory or]~~ binding arbitration of disputes relating to the loan.

2. The provisions of this section may not be varied by agreement, and the rights conferred by this section may not be waived. Any provision included in a loan document agreement that conflicts with this section is void.

Sec. 23. (Deleted by amendment.)

Sec. 24. 1. Before servicing a loan in which a private investor has acquired a beneficial interest, a mortgage broker must enter into a written servicing agreement with each investor which describes specifically the services which the mortgage broker will provide and the compensation the mortgage broker will receive for those services. The compensation of the mortgage broker must include an amount reasonably necessary to pay the cost of servicing the loan.

2. A mortgage broker shall include in each servicing agreement provisions which:

(a) Require the mortgage broker to:

(1) Deposit in a trust account all money paid to the mortgage broker in full or partial payment of a loan, unless a provision of law authorizes the mortgage broker to deposit such money in a different manner;

(2) Release to the investors, pursuant to paragraph (a) of subsection 5 of NRS 645B.175, within 15 days after receipt of all money paid to the mortgage broker in full or partial payment of a loan;

(3) Record a request for special notice and notice of default for any encumbrance on the real property which has priority over the lien securing the loan or any other real property securing the loan;

(4) Provide to each investor prompt written notice of:

(I) ~~[Any default on the loan; and~~

~~(II) Any lis pendens, mechanic's lien or other lien recorded against the real property securing the loan after the origination of the loan if the mortgage broker has become aware that such an instrument has been recorded; and~~

(II) Any delinquent taxes or insurance premiums;

~~(5) [If taxes or an insurance premium on the real property which secures the loan become delinquent, provide to each investor an itemized report stating:~~

~~(I) Each specific tax or insurance premium which is delinquent;~~
~~(II) The total amount of the delinquency;~~
~~(III) The dates on which penalties will be assessed for late payments and the amount of each penalty; and~~
~~(IV) An estimated amount of the taxes and insurance premiums on the real property which are due at the end of each quarter for the 12 months immediately following the report; and~~

~~(6)~~ Upon receiving a written request from an investor for a tally of any vote of the investors, provide to the investor a statement of the number of investors voting in favor of an action and the number of investors voting against the action and the percentage of beneficial interest represented by each such vote ~~+~~; and

(6) Respond within a reasonable time under the circumstances to the request of the borrower or investor to correct any errors relating to the loan.

(b) Prohibit the mortgage broker from:

(1) Commingling with the assets of the mortgage broker any money paid to the mortgage broker in full or partial payment of a loan, unless a provision of law authorizes such commingling; ~~or~~

(2) Using money paid to the mortgage broker in full or partial payment of a loan for any transaction other than the servicing transaction for which the money was paid, unless a provision of law authorizes such use ~~+~~; or

(3) Requiring an investor to participate in binding arbitration of disputes relating to the loan.

(c) Allow the majority of investors or the mortgage broker to transfer the servicing agreement to another entity authorized to service loans or terminate the servicing agreement for any reason, upon providing written notice at least 30 days before the effective date of the transfer or termination.

Sec. 25. Except as otherwise permitted by law, a mortgage broker shall not release a borrower or guarantor from personal liability for a loan unless a majority of the investors approve such a release.

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. (Deleted by amendment.)

Sec. 34. 1. If an investor owes money to the mortgage broker who is servicing a loan or to other investors, the mortgage broker shall not withhold money due the investor in order to offset the money owed to the mortgage broker or to another investor, unless:

(a) *The mortgage broker obtains the written consent of the investor who owes the money; or*

(b) *A court order requires the mortgage broker to withhold the money.*

2. *A mortgage broker may include in a loan servicing agreement a provision which provides written consent to withhold money due an investor in order to offset money owed by the investor to the mortgage broker or other investors.*

Sec. 35. (Deleted by amendment.)

Sec. 36. (Deleted by amendment.)

Sec. 37. *A mortgage broker shall not act as a construction control with respect to money belonging to a borrower or investor. If a borrower or investor wishes to utilize a construction control for money belonging to the borrower or investor, a mortgage broker must place the money with a person who is independent of the mortgage broker and is licensed or authorized to accept such money. The money must be subject to the control of a construction control which is in compliance with, or exempt from, the provisions of NRS 627.180 or 627.183.*

Sec. 38. (Deleted by amendment.)

Sec. 39. (Deleted by amendment.)

Sec. 40. (Deleted by amendment.)

Sec. 40.3. 1. A mortgage broker shall not place or arrange to place a private investor into a limited-liability company, business trust or other entity before foreclosure of the real property securing the loan unless the mortgage broker:

(a) Provides a copy of the organizational documents of the limited-liability company, business trust or other entity to each investor not later than 5 days before the investor transfers his or her interest in the loan; and

(b) Obtains the written authorization of each investor who wishes to transfer his or her interest in the loan to the limited-liability company, business trust or other entity.

2. The documents provided to each investor pursuant to paragraph (a) of subsection 1 must clearly and concisely state any fees which will be paid to the mortgage broker by the limited-liability company, business trust or other entity, and the sections of the documents that state fees must be initialed by the investor.

3. A mortgage broker or mortgage agent shall not act as the attorney-in-fact or the agent of a private investor for the signing or dating of the written authorization.

4. Any term of a contract or other agreement that attempts to alter or waive the requirements of this section is void.

Sec. 40.7. 1. A mortgage broker shall not assess or collect any fee which is not:

(a) Authorized by the loan documents or loan servicing agreement; and

(b) Assessed or collected in exchange for bona fide services rendered or costs incurred.

2. A mortgage broker shall apply all fees collected in the manner set forth in the loan documents or loan servicing agreement.

Sec. 41. NRS 645B.010 is hereby amended to read as follows:

645B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 645B.0104 to 645B.0135, inclusive, **and sections 14 to 18, inclusive, of this act** have the meanings ascribed to them in those sections.

Sec. 42. NRS 645B.0125 is hereby amended to read as follows:

645B.0125 1. "Mortgage agent" means:

(a) A natural person who:

(1) Is an employee of ~~for associated with~~ a mortgage broker or mortgage banker who is required to be licensed pursuant to this chapter or chapter 645E of NRS; and

(2) Is authorized by the mortgage broker or mortgage banker to engage in, on behalf of the mortgage broker or mortgage banker, any activity that would require the person, if the person were not an employee of ~~for associated with~~ the mortgage broker or mortgage banker, to be licensed as a mortgage broker or mortgage banker pursuant to this chapter or chapter 645E of NRS; ~~for~~

(b) A mortgage broker, qualified employee or mortgage banker who is required by NRS 645B.405 or 645E.290 to be licensed as a mortgage agent ~~to~~; or

(c) A loan processor who is an independent contractor and who is associated with a mortgage broker, mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016.

2. The term includes , **but is not limited to**, a residential mortgage loan originator.

3. The term does not include a person who:

(a) Except as otherwise provided in paragraph (b) of subsection 1, is licensed as a mortgage broker or mortgage banker;

(b) Is an owner, general partner, officer or director of a mortgage broker or mortgage banker ~~to~~ **who does not engage in any activity that would otherwise require a license as a mortgage broker or mortgage banker;**

(c) ~~Performs~~ **Except as otherwise provided in paragraph (c) of subsection 1, performs** only clerical or ministerial tasks for a mortgage broker ~~to~~ or **mortgage banker; or**

(d) Collects payments and performs related services, including, without limitation, the modification of an existing loan, in connection with a loan secured by a lien on real property and who does not undertake any other activity that would otherwise require a license pursuant to this chapter or chapter 645E **or 645F** of NRS.

Sec. 43. NRS 645B.0132 is hereby amended to read as follows:

645B.0132 "Residential mortgage loan" means any loan primarily for personal, family or household use that is secured by a mortgage, deed of trust or other equivalent consensual security interest on a dwelling or residential

real estate upon which is constructed or intended to be constructed a dwelling. ~~[For purposes of this section, “dwelling” has the meaning ascribed to it section 103(v) of the federal Truth in Lending Act, 15 U.S.C. § 1602(v).]~~

Sec. 44. NRS 645B.015 is hereby amended to read as follows:

645B.015 Except as otherwise provided in NRS 645B.016, ***the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101 et seq., and any regulations adopted pursuant thereto and other applicable law,*** the provisions of this chapter do not apply to:

1. Any person doing business under the laws of this State, any other state or the United States relating to banks, savings banks, trust companies, savings and loan associations, industrial loan companies, credit unions, thrift companies or insurance companies . ~~[, including, without limitation, a subsidiary or a holding company of such a bank, company, association or union.]~~

2. A real estate investment trust, as defined in 26 U.S.C. § 856, unless the business conducted in this State is not subject to supervision by the regulatory authority of the other jurisdiction, in which case licensing pursuant to this chapter is required.

3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan’s trustee.

4. An attorney at law rendering services in the performance of his or her duties as an attorney at law.

5. A real estate broker rendering services in the performance of his or her duties as a real estate broker.

6. Any person doing any act under an order of any court.

7. Any one natural person, or husband and wife, who provides money for investment in **commercial** loans secured by a lien on real property, on his or her own account, unless such a person makes a loan secured by a lien on real property using his or her own money and assigns all or a part of his or her interest in the loan to another person, other than his or her spouse or child, within ~~[5]~~ 3 years after the date on which the loan is made or the deed of trust is recorded, whichever occurs later.

8. A natural person who only offers or negotiates terms of a residential mortgage loan:

(a) With or on behalf of an immediate family member of the person; or

(b) Secured by a dwelling that served as the person’s residence.

~~[8.]~~ **9.** Agencies of the United States and of this State and its political subdivisions, including the Public Employees’ Retirement System.

~~[9.]~~ **10.** A seller of real property who offers credit secured by a mortgage of the property sold.

~~[10.]~~ **11.** *A nonprofit agency or organization:*

(a) Which provides self-help housing for a borrower who has provided part of the labor to construct the dwelling securing the borrower’s loan;

(b) Which does not charge or collect origination fees in connection with the origination of residential mortgage loans;

(c) Which only makes residential mortgage loans at an interest rate of 0 percent per annum;

(d) Whose volunteers, if any, do not receive compensation for their services in the construction of a dwelling; and

(e) Which does not profit from the sale of a dwelling to a borrower.

~~§ 11.1~~ **12.** *A housing counseling agency approved by the United States Department of Housing and Urban Development.*

Sec. 45. NRS 645B.016 is hereby amended to read as follows:

645B.016 Except as otherwise provided in subsection 2 and NRS 645B.690:

1. A person who claims an exemption from the provisions of this chapter pursuant to subsection 1 of NRS 645B.015 must:

(a) File a written application for a certificate of exemption with the Office of the Commissioner; ~~through the Registry;~~

(b) Pay the fee required pursuant to NRS 645B.050;

(c) Include with the written application satisfactory proof that the person meets the requirements of subsection 1 of NRS 645B.015; and

(d) Provide evidence to the Commissioner that the person is duly licensed to conduct his or her business, including, if applicable, the right to transact mortgage loans, and such license is in good standing pursuant to the laws of this State, any other state or the United States.

2. The provisions of subsection 1 do not apply to the extent preempted by federal law.

3. The Commissioner may require a person who claims an exemption from the provisions of this chapter pursuant to subsections 2 to ~~9;~~ ~~11;~~ **12**, inclusive, of NRS 645B.015 to:

(a) File a written application for a certificate of exemption with the Office of the Commissioner; ~~through the Registry;~~

(b) Pay the fee required pursuant to NRS 645B.050; and

(c) Include with the written application satisfactory proof that the person meets the requirements of at least one of those exemptions.

4. A certificate of exemption expires automatically if, at any time, the person who claims the exemption no longer meets the requirements of at least one exemption set forth in the provisions of NRS 645B.015.

5. If a certificate of exemption expires automatically pursuant to this section, the person shall not provide any of the services of a mortgage broker or mortgage agent or otherwise engage in, carry on or hold himself or herself out as engaging in or carrying on the business of a mortgage broker or mortgage agent unless the person applies for and is issued:

(a) A license as a mortgage broker or mortgage agent, as applicable, pursuant to this chapter; or

(b) Another certificate of exemption.

6. The Commissioner may impose upon a person who is required to apply for a certificate of exemption or who holds a certificate of exemption an administrative fine of not more than \$10,000 for each violation that the person commits, if the person:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the person possesses and which, if submitted by the person, would have rendered the person ineligible to hold a certificate of exemption; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner that applies to a person who is required to apply for a certificate of exemption or who holds a certificate of exemption.

7. A person who is exempt from the requirements of this chapter may file a written application for a certificate of exemption with the Office of the Commissioner for the purposes of complying with the requirements of the Registry or enabling a mortgage agent to comply with the requirements of the Registry.

8. The Commissioner may require ~~the~~ an applicant or person described in subsection 7 to submit the information or pay the fee directly to the Division or, if the applicant or person is required to register or voluntarily registers with the Registry, to the Division through the Registry.

9. An application filed pursuant to ~~this~~ subsection 7 does not affect the applicability of this chapter to ~~the~~ such an applicant ~~or~~ or person.

Sec. 46. NRS 645B.020 is hereby amended to read as follows:

645B.020 1. A person who wishes to be licensed as a mortgage broker must file a written application for a license with the Office of the Commissioner and pay the fee required pursuant to NRS 645B.050. ***The Commissioner may require the applicant or person to submit the information or pay the fee directly to the Division or, if the applicant or person is required to register or voluntarily registers with the Registry, to the Division through the Registry.*** An application for a license as a mortgage broker must:

(a) State the name, residence address and business address of the applicant and the location of each principal office and branch office at which the mortgage broker will conduct business within this State ~~or~~, ***including, without limitation, any office or other place of business located outside this State from which the mortgage broker will conduct business in this State ~~or~~ and any office or other place of business which the applicant maintains as a corporate or home office.***

(b) State the name under which the applicant will conduct business as a mortgage broker.

(c) List the name, residence address and business address of each person who will:

(1) If the applicant is not a natural person, have an interest in the mortgage broker as a principal, partner, officer, director or trustee, specifying the capacity and title of each such person.

(2) Be associated with or employed by the mortgage broker as a mortgage agent.

(d) Include a general business plan and a description of the policies and procedures that the mortgage broker and his or her mortgage agents will follow to arrange and service loans and to conduct business pursuant to this chapter.

(e) State the length of time the applicant has been engaged in the business of a **mortgage** broker.

(f) Include a financial statement of the applicant and, if applicable, satisfactory proof that the applicant will be able to maintain continuously the net worth required pursuant to NRS 645B.115.

(g) Include all information required to complete the application.

(h) ***Unless fingerprints were submitted to the Registry for the person, include a complete set of fingerprints for each natural person who is a principal, partner, officer, director or trustee of the applicant which the Division may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.***

(i) Include any other information required pursuant to the regulations adopted by the Commissioner or an order of the Commissioner.

2. If a mortgage broker will conduct business ***in this State*** at one or more branch offices, ~~within this State,~~ the mortgage broker must apply for a license for each such branch office.

3. Except as otherwise provided ~~in this chapter,~~ ***by law,*** the Commissioner shall issue a license to an applicant as a mortgage broker if:

(a) The application is verified by the Commissioner and complies with the requirements of this chapter; and

(b) The applicant and each general partner, officer or director of the applicant, if the applicant is a partnership, corporation or unincorporated association:

(1) Has demonstrated financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently for the purposes of this chapter.

(2) Has not been convicted of, or entered ***or agreed to enter*** a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, ***moral turpitude*** or money laundering.

(3) Has not made a false statement of material fact on the application.

(4) Has never had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator

revoked in this State or any other jurisdiction or had a financial services license ~~[suspended or]~~ revoked within the immediately preceding 10 years.

(5) Has not violated any provision of this chapter or chapter 645E of NRS, a regulation adopted pursuant thereto or an order of the Commissioner.

4. A person may apply for a license for an office or other place of business located outside this State from which the applicant will conduct business in this State if the applicant has a license issued pursuant to this chapter for an office or other place of business located in this State, and the applicant submits with the application for a license a statement signed by the applicant which states that the applicant agrees to:

(a) Make available at a location within this State the books, accounts, papers, records and files of the office or place of business located outside this State to the Commissioner or a representative of the Commissioner; or

(b) Pay the reasonable expenses for travel, meals and lodging of the Commissioner or a representative of the Commissioner incurred during any investigation or examination made at the office or place of business located outside this State.

↪ The applicant must be allowed to choose between paragraph (a) or (b) in complying with the provisions of this subsection.

Sec. 47. NRS 645B.042 is hereby amended to read as follows:

645B.042 1. ~~[Except as otherwise provided in NRS 645B.044, as]~~ As a condition to doing business in this State, each mortgage broker shall deposit with the Commissioner and keep in full force and effect a corporate surety bond payable to the State of Nevada, in the amount set forth in subsection 4, which is executed by a corporate surety satisfactory to the Commissioner and which names as principals the mortgage broker and all mortgage agents employed by or associated with the mortgage broker.

2. At the time of filing an application for a license as a mortgage agent and at the time of filing an application for the renewal of a license as a mortgage agent, the applicant shall file with the Commissioner proof that the applicant is named as a principal on the corporate surety bond deposited with the Commissioner by the mortgage broker with whom the applicant is associated or employed.

3. The bond must be in substantially the following form:

Know All Persons by These Presents, that, as principal, and, as surety, are held and firmly bound unto the State of Nevada for the use and benefit of any person who suffers damages because of a violation of any of the provisions of chapter 645B of NRS, in the sum of, lawful money of the United States, to be paid to the State of Nevada for such use and benefit, for which payment well and truly to be made, and that we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of that obligation is such that: Whereas, the principal has been issued a license as a mortgage broker or mortgage agent by the

Commissioner of Mortgage Lending and is required to furnish a bond, which is conditioned as set forth in this bond:

Now, therefore, if the principal, his or her agents and employees, strictly, honestly and faithfully comply with the provisions of chapter 645B of NRS, and pay all damages suffered by any person because of a violation of any of the provisions of chapter 645B of NRS, or by reason of any fraud, dishonesty, misrepresentation or concealment of material facts growing out of any transaction governed by the provisions of chapter 645B of NRS, then this obligation is void; otherwise it remains in full force.

This bond becomes effective on the (day) of (month) of (year), and remains in force until the surety is released from liability by the Commissioner of Mortgage Lending or until this bond is cancelled by the surety. The surety may cancel this bond and be relieved of further liability hereunder by giving 60 days' written notice to the principal and to the Commissioner of Mortgage Lending.

In Witness Whereof, the seal and signature of the principal hereto is affixed, and the corporate seal and the name of the surety hereto is affixed and attested by its authorized officers at, Nevada, this (day) of (month) of (year).

.....(Seal)

Principal

.....(Seal)

Surety

By.....

Attorney-in-fact

.....

Nevada Licensed

~~{resident agent}~~ **Insurance Agent**

4. Each mortgage broker shall deposit a corporate surety bond that complies with the provisions of this section ~~{for a substitute form of security that complies with the provisions of NRS 645B.044}~~ in the following amounts:

(a) For ~~{the principal office,}~~ **an annual loan production of \$20,000,000 or less, \$50,000.**

(b) For ~~{each branch office,}~~ **\$25,000.**

~~➔ The total amount required for the corporate surety bond may not exceed \$75,000, without regard to the number of branch offices, if any.}~~ **an annual loan production of more than \$20,000,000, \$75,000.**

5. ***Except as otherwise required by federal law or regulation, for the purposes of subsection 4, the Commissioner shall determine the appropriate amount of the surety bond that must be deposited initially by a mortgage broker based upon the expected annual loan production amount and shall determine the appropriate amount of the surety bond annually, based upon the actual annual loan production.***

Sec. 48. NRS 645B.046 is hereby amended to read as follows:

645B.046 1. The surety may cancel a bond upon giving 60 days' notice to the Commissioner by certified mail. Upon receipt by the Commissioner of such a notice, the Commissioner immediately shall notify the licensee who is the principal on the bond of the effective date of cancellation of the bond, and that his or her license will be revoked unless the licensee furnishes an equivalent bond ~~for a substitute form of security authorized by NRS 645B.044~~ before the effective date of the cancellation. The notice must be sent to the licensee by certified mail to his or her last address of record filed in the office of the Division.

2. If the licensee does not comply with the requirements set out in the notice from the Commissioner, the license must be revoked on the date the bond is cancelled.

Sec. 49. (Deleted by amendment.)

Sec. 50. NRS 645B.050 is hereby amended to read as follows:

645B.050 1. A license as a mortgage broker issued pursuant to this chapter expires each year on ~~June 30,~~ **December 31**, unless it is renewed. To renew such a license, the licensee must submit to the Commissioner ~~[through the Registry]~~ **on or after November 1 and** on or before ~~[May 31]~~ **December 31** of each year ~~[]~~, **or on a date otherwise specified by the Commissioner by regulation:**

(a) An application for renewal;
 (b) The fee required to renew the license pursuant to this section;
 (c) The information required pursuant to NRS 645B.051; and
 (d) All information required **by the ~~(Registry or otherwise required by the)~~ Commissioner or, if applicable, required by the Registry** to complete the renewal.

2. If the licensee fails to submit any item required pursuant to subsection 1 to the Commissioner **on or after November 1 and** on or before ~~[May 31]~~ **December 31** of any year, **unless a different date is specified by the Commissioner by regulation**, the license is cancelled as of ~~June 30~~ **December 31** of that year. The Commissioner may reinstate a cancelled license if the licensee submits to the Commissioner ~~[] [through the Registry]~~ **on or before February 28 of the following year:**

(a) An application for renewal;
 (b) The fee required to renew the license pursuant to this section;
 (c) The information required pursuant to NRS 645B.051;
 (d) Except as otherwise provided in this section, a reinstatement fee of not more than \$200; and
 (e) All information required to complete the reinstatement.

3. Except as otherwise provided in NRS 645B.016, a certificate of exemption issued pursuant to this chapter expires each year on December 31, unless it is renewed. To renew a certificate of exemption, a person must submit to the Commissioner ~~[through the Registry]~~ **on or after November 1 and** on or before ~~[November 30]~~ **December 31** of each year ~~[]~~ **or on a date otherwise specified by the Commissioner by regulation:**

(a) An application for renewal that includes satisfactory proof that the person meets the requirements for an exemption from the provisions of this chapter; and

(b) The fee required to renew the certificate of exemption.

4. If the person fails to submit any item required pursuant to subsection 3 to the Commissioner ~~through the Registry~~ **on or after November 1 and** on or before ~~November 30~~ **December 31** of any year, **unless a different date is specified by the Commissioner by regulation**, the certificate of exemption is cancelled as of December 31 of that year. Except as otherwise provided in NRS 645B.016, the Commissioner may reinstate a cancelled certificate of exemption if the person submits to the Commissioner ~~through the Registry~~ **on or before February 28 of the following year:**

(a) An application for renewal that includes satisfactory proof that the person meets the requirements for an exemption from the provisions of this chapter;

(b) The fee required to renew the certificate of exemption; and

(c) Except as otherwise provided in this section, a reinstatement fee of not more than \$100.

5. Except as otherwise provided in this section, a person must pay the following fees to apply for, to be issued or to renew a license as a mortgage broker pursuant to this chapter:

(a) To file an original application for a license, not more than \$1,500 for the principal office and not more than \$40 for each branch office. The person must also pay such additional expenses incurred in the process of investigation as the Commissioner deems necessary.

(b) To be issued a license, not more than \$1,000 for the principal office and not more than \$60 for each branch office.

(c) To renew a license, not more than \$500 for the principal office and not more than \$100 for each branch office.

6. Except as otherwise provided in this section, a person must pay the following fees to apply for or to renew a certificate of exemption pursuant to this chapter:

(a) To file an application for a certificate of exemption, not more than \$200.

(b) To renew a certificate of exemption, not more than \$100.

7. To be issued a duplicate copy of any license or certificate of exemption, a person must make a satisfactory showing of its loss and pay a fee of not more than \$10.

8. Except as otherwise provided in this chapter, all fees received pursuant to this chapter are in addition to any fee required to be paid to the Registry and must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

9. The Commissioner may, by regulation, adjust any fee or date set forth in this section if the Commissioner determines that such an adjustment is necessary for the Commissioner to carry out his or her duties pursuant to this

chapter. The amount of any adjustment in a fee pursuant to this subsection must not exceed the amount determined to be necessary for the Commissioner to carry out his or her duties pursuant to this chapter.

10. The Commissioner may require a licensee to submit an item or pay a fee required by this section directly to the Commissioner or, if the licensee is required to register or voluntarily registers with the Registry, to the Commissioner through the Registry.

Sec. 51. NRS 645B.080 is hereby amended to read as follows:

645B.080 1. Each mortgage broker shall keep and maintain at all times at each location where the mortgage broker conducts business in this state complete and suitable records of all mortgage transactions made by the mortgage broker at that location. Each mortgage broker shall also keep and maintain at all times at each such location all original books, papers and data, or copies thereof, clearly reflecting the financial condition of the business of the mortgage broker.

2. Each mortgage broker shall submit to the Commissioner each month a report of the mortgage broker's activity for the previous month. The report must:

- (a) Specify the volume of loans arranged by the mortgage broker for the month or state that no loans were arranged in that month;
- (b) Include any information required pursuant to NRS 645B.260 or pursuant to the regulations adopted by the Commissioner; and
- (c) Be submitted to the Commissioner by the 15th day of the month following the month for which the report is made.

3. The Commissioner may adopt regulations prescribing accounting procedures for mortgage brokers handling trust accounts and the requirements for keeping records relating to such accounts.

4. Each mortgage broker who is required to register or voluntarily registers with the Registry shall submit to the Registry and the Commissioner a report of condition or any other report required by the Registry in the form and at the time required by the Registry.

Sec. 52. NRS 645B.085 is hereby amended to read as follows:

645B.085 1. Except as otherwise provided in this section, not later than ~~120~~ 90 days after the last day of each fiscal year for a mortgage broker, the mortgage broker shall submit to the Commissioner a financial statement that:

- (a) Is dated not earlier than the last day of the fiscal year; and
- (b) Has been prepared from the books and records of the mortgage broker by an independent **certified** public accountant who holds a ~~permit~~ **license** to ~~engage in the~~ practice ~~of public accounting~~ in this State **or in any other state** that has not been revoked or suspended.

2. ~~The~~ **Unless otherwise prohibited by the Registry, the** Commissioner may grant a reasonable extension for the submission of a financial statement pursuant to this section if a mortgage broker requests such an extension before the date on which the financial statement is due.

3. If a mortgage broker maintains any accounts described in subsection 1 of NRS 645B.175, the financial statement submitted pursuant to this section must be audited. If a mortgage broker maintains any accounts described in subsection **1 or 4** of NRS 645B.175, those accounts must be audited. ~~{The public accountant who prepares the report of an audit shall submit a copy of the report to the Commissioner at the same time that the public accountant submits the report to the mortgage broker.}~~

4. The Commissioner shall adopt regulations prescribing the scope of an audit conducted pursuant to subsection 3.

Sec. 53. NRS 645B.092 is hereby amended to read as follows:

645B.092 1. Except as otherwise provided in this section and NRS 239.0115, a complaint filed with the Commissioner, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.

2. The complaint or other document filed by the Commissioner to initiate disciplinary action and all documents and information considered by the Commissioner when determining whether to impose discipline are public records.

3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

4. *The Commissioner may disclose any document or information made confidential under subsection 1 to the party against whom the complaint is made, a licensing board or agency, the Registry or any other governmental agency, including, without limitation, a law enforcement agency.*

Sec. 54. NRS 645B.095 is hereby amended to read as follows:

645B.095 1. As used in this section, "change of control" means:

(a) A transfer of voting stock which results in giving a person, directly or indirectly, the power to direct the management and policy of a mortgage broker; or

(b) A transfer of at least 25 percent of the outstanding voting stock of a mortgage broker.

2. The Commissioner must be notified ***in writing*** of a transfer of ~~{5}~~ **10** percent or more of the outstanding voting stock of a mortgage broker ***at least 15 days before such a transfer*** and must approve a transfer of voting stock of a mortgage broker which constitutes a change of control.

3. The person who acquires stock resulting in a change of control of the mortgage broker shall apply to the Commissioner for approval of the transfer. The application must contain information which shows that the requirements of this chapter ***and the Registry, if applicable***, for obtaining a license will be satisfied after the change of control. Except as otherwise provided in subsection 4, the Commissioner shall conduct an investigation to determine whether those requirements will be satisfied. If, after the investigation, the Commissioner denies the application, the Commissioner may forbid the applicant from participating in the business of the mortgage broker.

4. A mortgage broker may submit a written request to the Commissioner to waive an investigation pursuant to subsection 3. The Commissioner may grant a waiver if the applicant has undergone a similar investigation by a state or federal agency in connection with the licensing of or his or her employment with a financial institution.

Sec. 55. NRS 645B.165 is hereby amended to read as follows:

645B.165 1. Except as otherwise ***permitted by law and as otherwise*** provided in subsection 3, the amount of any advance fee, salary, deposit or money paid to a mortgage broker and his or her mortgage agents or any other person to obtain a loan which will be secured by a lien on real property must be placed in escrow pending completion of the loan or a commitment for the loan.

2. The amount held in escrow pursuant to subsection 1 must be released:

(a) Upon completion of the loan or commitment for the loan, to the mortgage broker or other person to whom the advance fee, salary, deposit or money was paid.

(b) If the loan or commitment for the loan fails, to the person who made the payment.

3. Advance payments to cover reasonably estimated costs paid to third persons are excluded from the provisions of subsections 1 and 2 if the person making them first signs a written agreement which specifies the estimated costs by item and the estimated aggregate cost, and which recites that money advanced for costs will not be refunded. If an itemized service is not performed and the estimated cost thereof is not refunded, the recipient of the advance payment is subject to the penalties provided in NRS 645B.960.

Sec. 56. NRS 645B.170 is hereby amended to read as follows:

645B.170 1. All money paid to a mortgage broker and his or her mortgage agents for payment of taxes or insurance premiums on real property which secures any loan arranged by the mortgage broker must be deposited in an insured depository financial institution and kept separate, distinct and apart from money belonging to the mortgage broker. Such money, when deposited, is to be designated as an “impound trust account” or under some other appropriate name indicating that the accounts are not the money of the mortgage broker.

2. The mortgage broker has a fiduciary duty to each debtor with respect to the money in an impound trust account.

3. The mortgage broker shall, upon reasonable notice, account to any debtor whose real property secures a loan arranged by the mortgage broker for any money which that person has paid to the mortgage broker for the payment of taxes or insurance premiums on the real property.

4. The mortgage broker shall, upon reasonable notice, account to the Commissioner for all money in an impound trust account.

5. A mortgage broker shall:

(a) Require contributions to an impound trust account in an amount reasonably necessary to pay the obligations as they become due.

(b) ***Undertake an annual review of an impound trust account.***

(c) Within 30 days after the completion of the annual review of an impound trust account, notify the debtor:

(1) Of the amount by which the contributions exceed the amount reasonably necessary to pay the annual obligations due from the account; and

(2) That the debtor may specify the disposition of the excess money within 20 days after receipt of the notice. If the debtor fails to specify such a disposition within that time, the mortgage broker shall maintain the excess money in the account.

➡ This subsection does not prohibit a mortgage broker from requiring additional amounts to be paid into an impound trust account to recover a deficiency that exists in the account.

6. A mortgage broker shall not make payments from an impound trust account in a manner that causes a policy of insurance to be cancelled or causes property taxes or similar payments to become delinquent.

Sec. 57. NRS 645B.186 is hereby amended to read as follows:

645B.186 1. If a licensee or a relative of the licensee is licensed as, conducts business as or holds a controlling interest or position in:

(a) A construction control;

(b) An escrow agency or escrow agent; or

(c) A title agent, a title insurer or an escrow officer of a title agent or title insurer,

➡ the licensee shall fully disclose his or her status as, connection to or relationship with the construction control, escrow agency, escrow agent, title agent, title insurer or escrow officer to each investor, and the licensee shall not require, as a condition to an investor acquiring ownership of or a beneficial interest in a loan secured by a lien on real property, that the investor transact business with or use the services of the construction control, escrow agency, escrow agent, title agent, title insurer or escrow officer or that the investor authorize the licensee to transact business with or use the services of the construction control, escrow agency, escrow agent, title agent, title insurer or escrow officer on behalf of the investor.

2. For the purposes of this section, a person shall be deemed to hold a controlling interest or position if the person:

(a) Owns or controls a majority of the voting stock or holds any other controlling interest, directly or indirectly, that gives the person the power to direct management or determine policy; or

(b) Is a partner, officer, director or trustee.

3. As used in this section, "licensee" means:

(a) A person who is licensed as a mortgage broker ***or mortgage agent*** pursuant to this chapter; and

(b) Any general partner, officer or director of such a person.

Sec. 58. NRS 645B.305 is hereby amended to read as follows:

645B.305 A mortgage broker shall ensure that each loan secured by a lien on real property for which he or she engages in activity as a mortgage broker ~~is:~~

~~1. Includes~~ **includes** a disclosure:

~~[(a)]~~ **1.** Describing, in a specific dollar amount, all fees earned by the mortgage broker;

~~[(b)]~~ **2.** Explaining which party is responsible for the payment of the fees described in ~~[(paragraph (a))]~~ **subsection 1**; and

~~[(c)]~~ **3.** Explaining the probable impact the fees described in ~~[(paragraph (a))]~~ **subsection 1** may have on the terms of the loan, including, without limitation, the interest rates.

~~[(2. If a private investor has acquired a beneficial interest in the loan, includes a fee for servicing the loan which must be specified in the loan. The fee must be in an amount reasonably necessary to pay the cost of servicing the loan.)]~~

Sec. 59. NRS 645B.307 is hereby amended to read as follows:

645B.307 A mortgage broker shall ensure that each loan secured by a lien on real property for which he or she engages in activity as a mortgage broker includes ~~[(the)]~~ :

1. If the mortgage broker is not registered with the Registry, the license number of the mortgage broker ~~[(and any)]~~ ; **or**

2. Any identifying number issued by the Registry.

Sec. 60. NRS 645B.400 is hereby amended to read as follows:

645B.400 A person shall not act as or provide any of the services of a mortgage agent or otherwise engage in, carry on or hold himself or herself out as engaging in or carrying on the activities of a mortgage agent unless the person ~~[(has)]~~ :

1. Has a license as a mortgage agent issued pursuant to NRS 645B.410.

2. Is an employee of or associated with a mortgage broker or mortgage banker.

3. ~~[(Is)]~~ If the person is required to register with the Registry, is registered with and provides any identifying number issued by the Registry.

Sec. 61. NRS 645B.410 is hereby amended to read as follows:

645B.410 1. To obtain a license as a mortgage agent, a person must:

(a) Be a natural person;

(b) File a written application for a license as a mortgage agent with the Office of the Commissioner ; ~~[(through the Registry)]~~

(c) Comply with the applicable requirements of this chapter; ~~[(and)]~~

(d) Pay an application fee set by the Commissioner of not more than \$185 ~~[(and)]~~ ; **and**

(e) Be:

(1) Employed by, or have received an offer of employment from, a mortgage broker;

(2) Employed by, or have received an offer of employment from, a mortgage banker;

(3) Associated with or employed by, or have received an offer of a contract with or an offer of employment from, a person who holds a certificate of exemption pursuant to NRS 645B.016; or

(4) A loan processor who is not an employee and who is associated with, or has received an offer of a contract with, a mortgage broker, mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016.

2. An application for a license as a mortgage agent must:

(a) State the name and residence address of the applicant;

(b) Include a provision by which the applicant gives written consent to **the Division and, if applicable, the Registry** for an investigation of his or her credit history, criminal history and background;

(c) ~~Include~~ **Unless fingerprints were submitted to the Registry, include** a complete set of fingerprints which the ~~Division~~ **Registry** may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

(d) ~~If not licensed as a mortgage broker or mortgage banker pursuant to this chapter or chapter 645E of NRS, include~~ **Include** ~~f, through a submission of a sponsorship request through the Registry,~~ a verified statement from the mortgage broker, ~~for~~ mortgage banker ~~or exempt entity~~ **person who holds a certificate of exemption pursuant to NRS 645B.016** with whom the applicant will be associated **or employed** that expresses the intent of that mortgage broker, ~~for~~ mortgage banker ~~or exempt entity~~ **person to employ or** associate the applicant with the mortgage broker, ~~for~~ mortgage banker ~~or exempt entity~~ **person** and to be responsible for the activities of the applicant as a mortgage agent; and

(e) Include any other information or supporting materials required pursuant to the regulations adopted by the Commissioner, ~~for~~ by an order of the Commissioner ~~or~~ **if applicable, by the Registry**. Such information or supporting materials may include, without limitation, other forms of identification of the person.

3. Except as otherwise provided ~~in this chapter,~~ **by law**, the Commissioner shall issue a license as a mortgage agent to an applicant if:

(a) The application is verified by the Commissioner and complies with the applicable requirements of this chapter ~~or~~ **other applicable law and, if applicable, the Registry**; and

(b) The applicant:

(1) Has not been convicted of, or entered **or agreed to enter** a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, ~~for~~ money laundering ~~or~~ **moral turpitude**;

(2) Has never had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator

revoked in this State or any other jurisdiction, or had a financial services license ~~[suspended or]~~ revoked within the immediately preceding 10 years;

(3) Has not made a false statement of material fact on his or her application;

(4) Has not violated any provision of this chapter or chapter 645E of NRS, a regulation adopted pursuant thereto or an order of the Commissioner; and

(5) Has demonstrated financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently for the purposes of this chapter.

4. Money received by the Commissioner pursuant to this section is in addition to any fee required to be paid to the Registry and must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

5. The Commissioner may require the submission of an item or the payment of a fee required by this section directly to the Commissioner or, if the person submitting the item or fee is required to register or voluntarily registers with the Registry, to the Commissioner through the Registry.

Sec. 62. NRS 645B.430 is hereby amended to read as follows:

645B.430 1. A license as a mortgage agent issued pursuant to NRS 645B.410 expires ~~[1 year after the date the license is issued,]~~ **each year on December 31**, unless it is renewed. To renew a license as a mortgage agent, the holder of the license must **continue to meet the requirements of subsection 3 of NRS 645B.410 and must** submit to the Commissioner ~~[through the Registry]~~ **on or after November 1 and** on or before ~~[the date the license expires,]~~ **December 31 of each year, or on a date otherwise specified by the Commissioner by regulation:**

(a) An application for renewal;

(b) Except as otherwise provided in this section, satisfactory proof that the holder of the license as a mortgage agent attended at least 10 hours of certified courses of continuing education during the 12 months immediately preceding the date on which the license expires; and

(c) A renewal fee set by the Commissioner of not more than ~~fe~~ \$170.

2. If the holder of the license as a mortgage agent fails to submit any item required pursuant to subsection 1 to the Commissioner ~~[each year]~~ **on or after November 1 and** on or before ~~[the date the license expires,]~~ **December 31 of any year, unless a different date is specified by the Commissioner by regulation**, the license is cancelled ~~[]~~ **as of December 31 of that year.** The Commissioner may reinstate a cancelled license if the holder of the license submits to the Commissioner ~~[]~~ **on or before February 28 of the following year:**

(a) An application for renewal;

(b) The fee required to renew the license pursuant to this section; and

(c) A reinstatement fee of \$75.

3. ~~{To be issued a duplicate copy of a license as a mortgage agent, a person must make a satisfactory showing of its loss and pay a fee of \$10.~~

~~4.}~~ To change the mortgage broker with whom the mortgage agent is associated, a person must pay a fee of \$10.

~~{5.}~~ 4. Money received by the Commissioner pursuant to this section is in addition to any fee that must be paid to the Registry and must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

~~{6.}~~ The Commissioner may provide by regulation that any hours of a certified course of continuing education attended during a 12-month period, but not needed to satisfy a requirement set forth in this section for the 12-month period in which the hours were taken, may be used to satisfy a requirement set forth in this section for a later 12-month period.

~~7.}~~ 5. **The Commissioner may require a licensee to submit an item or pay a fee required by this section directly to the Division or, if the licensee is required to register or voluntarily registers with the Registry, to the Division through the Registry.**

6. As used in this section, "certified course of continuing education" has the meaning ascribed to it in NRS 645B.051.

Sec. 63. NRS 645B.450 is hereby amended to read as follows:

645B.450 1. A person licensed as a mortgage agent pursuant to the provisions of NRS 645B.410 may not be associated with or employed by more than one **licensed or registered** mortgage broker **or mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016** at the same time ~~_, {, unless otherwise authorized in writing by the Commissioner.}~~

2. A mortgage broker ~~_, {or}~~ **mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016** shall not associate with or employ a person as a mortgage agent or authorize a person to be associated with the mortgage broker ~~_, {or}~~ **mortgage banker or exempt person** as a mortgage agent if the mortgage agent is not licensed with the Division pursuant to NRS 645B.410. **Before allowing a mortgage agent to act on its behalf, a mortgage broker, mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016 must:**

(a) Enter its sponsorship of the mortgage agent with the Registry; or

(b) If the mortgage agent is not required to be registered with the Registry, notify the Division of its sponsorship of the mortgage agent.

3. If a mortgage agent terminates his or her association or employment with a mortgage broker, **mortgage banker or exempt entity** ~~person who holds a certificate of exemption pursuant to NRS 645B.016~~ for any reason, the mortgage broker, **mortgage banker or exempt entity** ~~person~~ shall, not later than the third business day following the date of termination:

(a) {Deliver} Remove its sponsorship of the mortgage agent from the Registry; or

(b) If the mortgage agent is not required to be registered with the Registry, deliver to the Division and to the mortgage agent {or send by

~~certified mail to~~ at the last known residence address of the mortgage agent a written statement which advises the mortgage agent that the termination is being reported to the Division; and

(b) ~~Deliver or send by certified mail to the Division:~~

(1) ~~The license or license number of the mortgage agent;~~

(2) ~~A written statement of the circumstances surrounding the termination; and~~

(3) ~~A copy of the written statement that the mortgage broker delivers or mails to the mortgage agent pursuant to paragraph (a).] ~~remove the mortgage agent's sponsorship with the mortgage broker, mortgage banker or exempt entity from the Registry.]~~ includes the name, address and license number of the mortgage agent and a statement of the circumstances of the termination.~~

Sec. 64. NRS 645B.490 is hereby amended to read as follows:

645B.490 **Except as otherwise required by the Registry, ~~for~~ for persons who are required to register or voluntarily register with the Registry:**

1. Any mortgage broker or mortgage agent licensed under the provisions of this chapter who is called into military service of the United States shall, at his or her request, be relieved from compliance with the provisions of this chapter and placed on inactive status for the period of such military service and for a period of 6 months after discharge therefrom.

2. At any time within 6 ~~12~~ months after termination of such service, if the mortgage broker or mortgage agent complies with the provisions of subsection 1, the mortgage broker or mortgage agent may be reinstated, without having to meet any qualification or requirement other than the payment of the reinstatement fee, as provided in NRS 645B.050 or 645B.430, and the mortgage broker or mortgage agent is not required to make payment of the renewal fee for the current year.

3. Any mortgage broker or mortgage agent seeking to qualify for reinstatement, as provided in subsections 1 and 2, must present a certified copy of his or her honorable discharge or certificate of satisfactory service to the Commissioner.

Sec. 65. NRS 645B.600 is hereby amended to read as follows:

645B.600 1. A person may file with the Commissioner a complaint alleging that another person has violated a provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

2. A complaint filed pursuant to this section must:

(a) Be in writing;

(b) Be signed by the person filing the complaint or the ~~authorized representative~~ **designee** of the person filing the complaint;

(c) Contain an address and a telephone number for the person filing the complaint or the ~~authorized representative~~ **designee** of the person filing the complaint;

(d) Describe the nature of the alleged violation in as much detail as possible;

(e) Include as exhibits copies of all documentation supporting the complaint; and

(f) Include any other information or supporting materials required by the regulations adopted by the Commissioner or by an order of the Commissioner.

Sec. 66. NRS 645B.670 is hereby amended to read as follows:

645B.670 Except as otherwise provided in NRS 645B.690:

1. For each violation committed by an applicant for a license issued pursuant to this chapter, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

2. For each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage broker's license, or may do both, if the mortgage broker, whether or not acting as such:

(a) Is insolvent;

(b) Is grossly negligent or incompetent in performing any act for which the mortgage broker is required to be licensed pursuant to the provisions of this chapter;

(c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that the mortgage broker cannot continue in business with safety to his or her customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage broker knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage broker possesses and which, if submitted by the mortgage broker, would have rendered the

mortgage broker ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(j) Has been convicted of, or entered ***or agreed to enter*** a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, ***moral turpitude*** or money laundering.

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(m) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(n) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

(o) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(p) Has repeatedly violated the policies and procedures of the mortgage broker;

(q) Has failed to exercise reasonable supervision over the activities of a mortgage agent as required by NRS 645B.460;

(r) Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;

(s) Has employed a person as a mortgage agent or authorized a person to be associated with the mortgage broker as a mortgage agent at a time when the mortgage broker knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:

(1) Had been convicted of, or entered ***or agreed to enter*** a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, ***moral turpitude*** or money laundering; or

(2) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State

or any other jurisdiction or had a financial services license or registration ~~[suspended or]~~ revoked within the immediately preceding 10 years;

(t) Has violated NRS 645C.557; **or**

(u) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS. ~~For~~

~~(v) Has not conducted verifiable business as a mortgage broker for 12 consecutive months, except in the case of a new applicant. The Commissioner shall determine whether a mortgage broker is conducting business by examining the monthly reports of activity submitted by the mortgage broker or by conducting an examination of the mortgage broker.]~~

3. For each violation committed by a mortgage agent, the Commissioner may impose upon the mortgage agent an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage agent's license, or may do both, if the mortgage agent, whether or not acting as such:

(a) Is grossly negligent or incompetent in performing any act for which the mortgage agent is required to be licensed pursuant to the provisions of this chapter;

(b) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(c) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage agent knew or, by the exercise of reasonable diligence, should have known;

(d) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent ineligible to be licensed pursuant to the provisions of this chapter;

(e) Has been convicted of, or entered ***or agreed to enter*** a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, **moral turpitude** or money laundering.

(f) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(g) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

(h) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(i) Has violated NRS 645C.557;

(j) Has repeatedly violated the policies and procedures of the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; or

(k) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner or has assisted or offered to assist another person to commit such a violation.

Sec. 67. NRS 645B.690 is hereby amended to read as follows:

645B.690 1. If a person offers or provides any of the services of a mortgage broker or mortgage agent or otherwise engages in, carries on or holds himself or herself out as engaging in or carrying on the business of a mortgage broker or mortgage agent and, at the time:

(a) The person was required to have a license pursuant to this chapter and the person did not have such a license; ~~for~~

(b) ***The person was required to be registered with the Registry and the person was not so registered; or***

(c) The person's license was suspended or revoked pursuant to this chapter,

↪ the Commissioner shall impose upon the person an administrative fine of not more than \$50,000 for each violation and, if the person has a license, the Commissioner may suspend or revoke it.

2. If a mortgage broker violates any provision of subsection 1 of NRS 645B.080 and the mortgage broker fails, without reasonable cause, to remedy the violation within 20 business days after being ordered by the Commissioner to do so or within such later time as prescribed by the Commissioner, or if the Commissioner orders a mortgage broker to provide information, make a report or permit an examination of his or her books or affairs pursuant to this chapter and the mortgage broker fails, without reasonable cause, to comply with the order within 20 business days or within such later time as prescribed by the Commissioner, the Commissioner shall:

(a) Impose upon the mortgage broker an administrative fine of not more than ~~[\$10,000]~~ **\$25,000** for each violation;

(b) Suspend or revoke the license of the mortgage broker; and

(c) Conduct a hearing to determine whether the mortgage broker is conducting business in an unsafe and injurious manner that may result in danger to the public and whether it is necessary for the Commissioner to take possession of the property of the mortgage broker pursuant to NRS 645B.630.

3. If a mortgage broker:

(a) Makes or offers for sale in this State any investments in promissory notes secured by liens on real property; and

(b) Receives the lowest possible rating on two consecutive annual or biennial examinations pursuant to NRS 645B.060,

↪ the Commissioner shall suspend or revoke the license of the mortgage broker.

Sec. 68. NRS 645B.955 is hereby amended to read as follows:

645B.955 1. ~~[The holder of]~~ **A person who engages in an activity for which** a license as a mortgage broker or mortgage agent ~~may be~~ **is required pursuant to this chapter, without regard to whether such a person is**

licensed pursuant to this chapter, may be required by the Commissioner to pay restitution to any person who has suffered an economic loss as a result of a violation of the provisions of this chapter or any regulation adopted pursuant thereto.

2. Notwithstanding the provision of paragraph (m) of subsection 1 of NRS 622A.120, payment of restitution pursuant to subsection 1 shall be done in a manner consistent with the provisions of chapter 622A of NRS.

Sec. 69. Chapter 645E of NRS is hereby amended by adding thereto a new section to read as follows:

“Nationwide Mortgage Licensing System and Registry” or “Registry” has the meaning ascribed to it in NRS 645B.0128.

Sec. 70. NRS 645E.010 is hereby amended to read as follows:

645E.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 645E.020 to 645E.100, inclusive, **and section 69 of this act** have the meanings ascribed to them in those sections.

Sec. 71. NRS 645E.040 is hereby amended to read as follows:

645E.040 “Commercial property” means any real property which is located in this state and which is ~~not~~ **neither** used ~~for a residential dwelling or dwellings intended for occupancy by four or fewer families.~~ **as a dwelling nor upon which a dwelling is constructed or intended to be constructed. For the purposes of this section, “dwelling” has the meaning ascribed to it in section 103(v) of the federal Truth in Lending Act, 15 U.S.C. § 1602(v).**

Sec. 72. NRS 645E.150 is hereby amended to read as follows:

645E.150 Except as otherwise provided in NRS 645E.160, **the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101 et seq., and any regulations adopted pursuant thereto or other applicable law,** the provisions of this chapter do not apply to:

1. Any person doing business under the laws of this State, any other state or the United States relating to banks, savings banks, trust companies, savings and loan associations, industrial loan companies, credit unions, thrift companies or insurance companies, including, without limitation, a subsidiary or a holding company of such a bank, company, association or union.

2. A real estate investment trust, as defined in 26 U.S.C. § 856, unless the business conducted in this State is not subject to supervision by the regulatory authority of the other jurisdiction, in which case licensing pursuant to this chapter is required.

3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan’s trustee.

4. An attorney at law rendering services in the performance of his or her duties as an attorney at law.

5. A real estate broker rendering services in the performance of his or her duties as a real estate broker.

6. Any person doing any act under an order of any court.

7. Any one natural person, or husband and wife, who provides money for investment in **commercial** loans secured by a lien on real property, on his or her own account, unless such a person makes a loan secured by a lien on real property using his or her own money and assigns all or a part of his or her interest in the loan to another person, other than his or her spouse or child, within ~~15~~ 3 years after the date on which the loan is made or the deed of trust is recorded, whichever occurs later.

8. A natural person who only offers or negotiates terms of a residential mortgage loan:

- (a) *With or on behalf of an immediate family member of the person; or*
- (b) *Secured by a dwelling that served as the person's residence.*

~~10. 9.~~ Agencies of the United States and of this State and its political subdivisions, including the Public Employees' Retirement System.

~~10. 10.~~ A seller of real property who offers credit secured by a mortgage of the property sold.

~~10. 11.~~ **A nonprofit agency or organization:**

(a) *Which provides self-help housing for a borrower who has provided part of the labor to construct the dwelling securing the borrower's loan;*

(b) *Which does not charge or collect origination fees in connection with the origination of residential mortgage loans;*

(c) *Which only makes residential mortgage loans at an interest rate of 0 percent per annum;*

(d) *Whose volunteers, if any, do not receive compensation for their services in the construction of a dwelling; and*

(e) *Which does not profit from the sale of a dwelling to a borrower.*

~~11. 12.~~ **A housing counseling agency approved by the United States Department of Housing and Urban Development.**

Sec. 73. NRS 645E.160 is hereby amended to read as follows:

645E.160 1. Except as otherwise provided in subsection 2, a person who claims an exemption from the provisions of this chapter pursuant to subsection 1 of NRS 645E.150 must:

(a) File a written application for a certificate of exemption with the Office of the Commissioner ~~through the Registry;~~

(b) Pay the fee required pursuant to NRS 645E.280;

(c) Include with the written application satisfactory proof that the person meets the requirements of subsection 1 of NRS 645E.150; and

(d) Provide evidence to the Commissioner that the person is duly licensed to conduct his or her business, including, if applicable, the right to transact mortgage loans, and such license is in good standing pursuant to the laws of this State, any other state or the United States.

2. The provisions of subsection 1 do not apply to the extent preempted by federal law.

3. The Commissioner may require a person who claims an exemption from the provisions of this chapter pursuant to subsections 2 to ~~9. 11. 12.~~ inclusive, of NRS 645E.150 to:

(a) File a written application for a certificate of exemption with the Office of the Commissioner; ~~through the Registry;~~

(b) Pay the fee required pursuant to NRS 645E.280; and

(c) Include with the written application satisfactory proof that the person meets the requirements of at least one of those exemptions.

4. A certificate of exemption expires automatically if, at any time, the person who claims the exemption no longer meets the requirements of at least one exemption set forth in the provisions of NRS 645E.150.

5. If a certificate of exemption expires automatically pursuant to this section, the person shall not provide any of the services of a mortgage banker or otherwise engage in, carry on or hold himself or herself out as engaging in or carrying on the business of a mortgage banker unless the person applies for and is issued:

(a) A license as a mortgage banker pursuant to this chapter; or

(b) Another certificate of exemption.

6. The Commissioner may impose upon a person who is required to apply for a certificate of exemption or who holds a certificate of exemption an administrative fine of not more than \$10,000 for each violation that he or she commits, if the person:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the person possesses and which, if submitted by him or her, would have rendered the person ineligible to hold a certificate of exemption; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner that applies to a person who is required to apply for a certificate of exemption or who holds a certificate of exemption.

7. A person who is exempt from the requirements of this chapter may file a written application for a certificate of exemption with the Office of the Commissioner for the purposes of complying with the requirements of the Registry or enabling a mortgage agent to comply with the requirements of the Registry.

8. The Commissioner may require ~~the~~ an applicant or person described in subsection 7 to submit the information or pay the fee directly to the Division or, if the applicant or person is required to register or voluntarily registers with the Registry, to the Division through the Registry.

9. An application filed pursuant to ~~this~~ subsection 7 does not affect the applicability of this chapter to ~~the~~ such an applicant ~~or~~ or person.

Sec. 74. NRS 645E.170 is hereby amended to read as follows:

645E.170 1. A person may apply to the Commissioner for an exemption from the provisions of this chapter governing the making of a loan of money ~~to~~ **only for a loan secured by commercial property.**

2. The Commissioner may grant the exemption if the Commissioner finds that:

(a) The making of the loan would not be detrimental to the financial condition of the lender or the debtor;

(b) The lender or the debtor has established a record of sound performance, efficient management, financial responsibility and integrity;

(c) The making of the loan is likely to increase the availability of capital for a sector of the state economy; and

(d) The making of the loan is not detrimental to the public interest.

3. The Commissioner:

(a) May revoke an exemption unless the loan for which the exemption was granted has been made; and

(b) Shall issue a written statement setting forth the reasons for his or her decision to grant, deny or revoke an exemption.

Sec. 75. NRS 645E.200 is hereby amended to read as follows:

645E.200 1. A person who wishes to be licensed as a mortgage banker must file a written application for a license with the Office of the Commissioner and pay the fee required pursuant to NRS 645E.280. An application for a license as a mortgage banker must:

(a) Be verified.

(b) State the name, residence address and business address of the applicant and the location of each principal office and branch office at which the mortgage banker will conduct business in this State, including, without limitation, any office or other place of business located outside this State from which the mortgage banker will conduct business in this State ~~or~~ **and any office or other place of business which the applicant maintains as a corporate or home office.**

(c) State the name under which the applicant will conduct business as a mortgage banker.

(d) If the applicant is not a natural person, list the name, residence address and business address of each person who will have an interest in the mortgage banker as a principal, partner, officer, director or trustee, specifying the capacity and title of each such person.

(e) Indicate the general plan and character of the business.

(f) State the length of time the applicant has been engaged in the business of a mortgage banker.

(g) Include a financial statement of the applicant.

(h) ***Include a complete set of fingerprints for each natural person who is a principal, partner, officer, director or trustee of the applicant which the Division may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.***

(i) Include any other information required pursuant to the regulations adopted by the Commissioner or an order of the Commissioner.

2. If a mortgage banker will conduct business in this State at one or more branch offices, the mortgage banker must apply for a license for each such branch office.

3. Except as otherwise provided ~~[in this chapter,]~~ **by law**, the Commissioner shall issue a license to an applicant as a mortgage banker if:

(a) The application **is verified by the Commissioner and** complies with the requirements of this chapter ~~};~~ **, other applicable law and , if applicable, the Registry;** and

(b) The applicant and each general partner, officer or director of the applicant, if the applicant is a partnership, corporation or unincorporated association:

(1) ~~Has [a good reputation for honesty, trustworthiness and integrity and displays competence to transact the business of a mortgage banker in a manner which safeguards the interests of the general public. The applicant must submit satisfactory proof of these qualifications to the Commissioner.~~

(2) ~~Has not been convicted of, or entered a plea of nolo contendere to, a felony relating to the practice of mortgage bankers or any crime involving fraud, misrepresentation or moral turpitude.~~

(3) ~~Has not made a false statement of material fact on his or her application.~~

(4) ~~Has not had a license that was issued pursuant to the provisions of this chapter or chapter 645B of NRS suspended or revoked within the 10 years immediately preceding the date of application.~~

(5) ~~Has not had a license that was issued in any other state, district or territory of the United States or any foreign country suspended or revoked within the 10 years immediately preceding the date of application.~~

~~(6)}~~ **demonstrated financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently for the purposes of this chapter. For the purposes of this subparagraph, the factors considered in determining whether a person has demonstrated financial responsibility include, without limitation:**

(I) Whether the person's personal credit history indicates any adverse material items, including, without limitation, liens, judgments, disciplinary action, bankruptcies, foreclosures or failures to comply with court-approved payment plans;

(II) The circumstances surrounding any adverse material items in the person's personal credit history; and

(III) Any instance of fraud, misrepresentation, dishonest business practices, the mishandling of trust funds or other types of comparable behavior.

(2) Has not been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering.

(3) Has not made a false statement of material fact on the application.

(4) Has never had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license revoked within the immediately preceding 10 years.

(5) Has not violated any provision of this chapter or chapter 645B of NRS, a regulation adopted pursuant thereto or an order of the Commissioner.

4. If an applicant is a partnership, corporation or unincorporated association, the Commissioner may refuse to issue a license to the applicant if any member of the partnership or any officer or director of the corporation or unincorporated association has committed any act or omission that would be cause for refusing to issue a license to a natural person.

5. A person may apply for a license for an office or other place of business located outside this State from which the applicant will conduct business in this State if the applicant or a subsidiary or affiliate of the applicant has a license issued pursuant to this chapter for an office or other place of business located in this State and if the applicant submits with the application for a license a statement signed by the applicant which states that the applicant agrees to:

(a) Make available at a location within this State the books, accounts, papers, records and files of the office or place of business located outside this State to the Commissioner or a representative of the Commissioner; or

(b) Pay the reasonable expenses for travel, meals and lodging of the Commissioner or a representative of the Commissioner incurred during any investigation or examination made at the office or place of business located outside this State.

↪ The applicant must be allowed to choose between paragraph (a) or (b) in complying with the provisions of this subsection.

Sec. 76. NRS 645E.280 is hereby amended to read as follows:

645E.280 1. A license issued to a mortgage banker pursuant to this chapter expires each year on December 31, unless it is renewed. To renew a license, the licensee must submit to the Commissioner ~~{through the Registry}~~ **on or after November 1 and** on or before December 31 of each year ~~{-}~~, **or on a date otherwise specified by the Commissioner by regulation:**

(a) An application for renewal that complies with the requirements of this chapter; ~~{and}~~

(b) The fee required to renew the license pursuant to this section ~~{-}~~; **and**

(c) **All information required by the ~~{Registry or otherwise required by the}~~ Commissioner or, if applicable, required by the Registry to complete the renewal.**

2. If the licensee fails to submit any item required pursuant to subsection 1 to the Commissioner ~~{through the Registry}~~ **on or after November 1 and** on or before December 31 of any year, **unless a different date is specified by the Commissioner by regulation**, the license is cancelled ~~{-}~~ **as of December 31 of that year.** The Commissioner may reinstate a cancelled license if the

licensee submits to the Commissioner ~~{-} {through the Registry}~~ **on or before February 28 of the following year:**

(a) An application for renewal that complies with the requirements of this chapter;

(b) The fee required to renew the license pursuant to this section; ~~{and}~~

(c) ~~{A}~~ **Except as otherwise provided in this section, a** reinstatement fee of not more than \$200 ~~{-}~~ ; and

(d) All information required to complete the reinstatement.

3. Except as otherwise provided in NRS 645E.160, a certificate of exemption issued pursuant to this chapter expires each year on December 31, unless it is renewed. To renew a certificate of exemption, a person must submit to the Commissioner ~~{through the Registry}~~ **on or after November 1 and** on or before December 31 of each year ~~{-}~~ , **or on a date otherwise specified by the Commissioner by regulation:**

(a) An application for renewal that complies with the requirements of this chapter; and

(b) The fee required to renew the certificate of exemption.

4. If the person fails to submit any item required pursuant to subsection 3 to the Commissioner ~~{through the Registry}~~ **on or after November 1 and** on or before December 31 of any year, **unless a different date is specified by the Commissioner by regulation**, the certificate of exemption is cancelled. Except as otherwise provided in NRS 645E.160, the Commissioner may reinstate a cancelled certificate of exemption if the person submits to the Commissioner ~~{-}~~ ~~{through the Registry}~~ **on or before February 28 of the following year:**

(a) An application for renewal that complies with the requirements of this chapter;

(b) The fee required to renew the certificate of exemption; and

(c) ~~{A}~~ **Except as otherwise provided in this section, a** reinstatement fee of not more than \$100.

5. ~~{A}~~ **Except as otherwise provided in this section, a** person must pay the following fees to apply for, to be issued or to renew a license as a mortgage banker pursuant to this chapter:

(a) To file an original application for a license, not more than \$1,500 for the principal office and not more than \$40 for each branch office. The person must also pay such additional expenses incurred in the process of investigation as the Commissioner deems necessary.

(b) To be issued a license, not more than \$1,000 for the principal office and not more than \$60 for each branch office.

(c) To renew a license, not more than \$500 for the principal office and not more than \$100 for each branch office.

6. ~~{A}~~ **Except as otherwise provided in this section, a** person must pay the following fees to apply for or to renew a certificate of exemption pursuant to this chapter:

(a) To file an application for a certificate of exemption, not more than \$200.

(b) To renew a certificate of exemption, not more than \$100.

7. To be issued a duplicate copy of any license or certificate of exemption, a person must make a satisfactory showing of its loss and pay a fee of not more than \$10.

8. Except as otherwise provided in this chapter, all fees received pursuant to this chapter **are in addition to any fee required to be paid to the Registry and** must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

9. The Commissioner may, by regulation, adjust any fee set forth in this section if the Commissioner determines that such an adjustment is necessary for the Commissioner to carry out his or her duties pursuant to this chapter. The amount of any adjustment in a fee pursuant to this subsection must not exceed the amount determined to be necessary for the Commissioner to carry out his or her duties pursuant to this chapter.

10. The Commissioner may require a licensee to submit an item or pay a fee required by this section directly to the Division or, if the licensee is required to register or voluntarily registers with the Registry, to the Division through the Registry.

Sec. 77. NRS 645E.290 is hereby amended to read as follows:

645E.290 1. Any person licensed as a mortgage banker under this chapter and who engages in activities as a ~~residential mortgage~~ loan originator or who supervises a mortgage agent who engages in activities as a ~~residential mortgage~~ loan originator, and any employee or independent contractor of a mortgage banker who engages in activities as a ~~residential mortgage~~ loan originator, must be licensed as a mortgage agent pursuant to the provisions of NRS 645B.400 to 645B.460, inclusive.

2. As used in this section ~~[-“residential mortgage loan originator” has the meaning ascribed to it in NRS 645B.01325.-]~~ :

(a) “Clerical or ministerial tasks” means communication with a person to obtain, and the receipt, collection and distribution of, information necessary for the processing or underwriting of a loan.

(b) “Loan originator” means a natural person who takes a loan application or offers or negotiates terms of a loan for compensation or other pecuniary gain. The term does not include:

(1) A person who performs clerical or ministerial tasks as an employee at the direction of and subject to the supervision and instruction of a person licensed or exempt from licensing under this chapter, unless the person who performs such clerical or ministerial tasks is an independent contractor; or

(2) A person solely involved in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. § 101(53D).

Sec. 78. NRS 645E.291 is hereby amended to read as follows:

645E.291 1. A mortgage banker shall exercise reasonable supervision over the activities of his or her mortgage agents and must also be licensed as a mortgage agent if required pursuant to NRS 645E.290. Such reasonable supervision must include, as appropriate:

(a) The establishment of written or oral policies and procedures for the mortgage agents;

(b) The establishment of a system to review, oversee and inspect the activities of the mortgage agents, including, without limitation:

(1) Transactions handled by the mortgage agents pursuant to this chapter;

(2) Communications between the mortgage agents and a party to such a transaction;

(3) Documents prepared by the mortgage agents that may have a material effect upon the rights or obligations of a party to such a transaction; and

(4) The handling by the mortgage agents of any fee, deposit or money paid to the mortgage banker or the mortgage agents or held in trust by the mortgage banker or the mortgage agents pursuant to this chapter; and

(c) The establishment of a system of reporting to the Division of any fraudulent activity engaged in by any of the mortgage agents.

2. The Commissioner shall allow a mortgage banker to take into consideration the total number of mortgage agents associated with or employed by the mortgage banker when the mortgage banker determines the form and extent of the policies and procedures for those mortgage agents and the system to review, oversee and inspect the activities of those mortgage agents.

3. The Commissioner may adopt regulations prescribing standards for determining whether a mortgage ~~broker~~ **banker** has exercised reasonable supervision over the activities of a mortgage agent pursuant to this section.

Sec. 79. NRS 645E.350 is hereby amended to read as follows:

645E.350 1. Each mortgage banker shall keep and maintain at all times at each location where the mortgage banker conducts business in this State complete and suitable records of all mortgage transactions made by the mortgage banker at that location. Each mortgage banker shall also keep and maintain at all times at each such location all original books, papers and data, or copies thereof, clearly reflecting the financial condition of the business of the mortgage banker.

2. Each mortgage banker shall submit to the Commissioner each month a report of the mortgage banker's activity for the previous month. The report must:

(a) Specify the volume of loans made by the mortgage banker for the month or state that no loans were made in that month;

(b) Include any information required pursuant to the regulations adopted by the Commissioner; and

(c) Be submitted to the Commissioner by the 15th day of the month following the month for which the report is made.

3. The Commissioner may adopt regulations prescribing accounting procedures for mortgage bankers handling trust accounts and the requirements for keeping records relating to such accounts.

4. A licensee who operates outside this State an office or other place of business which is licensed pursuant to this chapter shall:

(a) Make available at a location within this State the books, accounts, papers, records and files of the office or place of business located outside this State to the Commissioner or a representative of the Commissioner; or

(b) Pay the reasonable expenses for travel, meals and lodging of the Commissioner or a representative of the Commissioner incurred during any investigation or examination made at the office or place of business located outside this State.

↪ The licensee must be allowed to choose between paragraph (a) or (b) in complying with the provisions of this subsection.

5. Each mortgage banker who is required to register or voluntarily registers with the Registry shall submit to the Registry and the Commissioner a report of condition or any other report required by the Registry in the form and at the time required by the Registry.

Sec. 80. NRS 645E.360 is hereby amended to read as follows:

645E.360 1. Except as otherwise provided in this section, not later than ~~120~~ **90** days after the last day of each fiscal year for a mortgage banker, the mortgage banker shall submit to the Commissioner ~~through the Registry~~ a financial statement that:

(a) Is dated not earlier than the last day of the fiscal year; and

(b) Has been prepared from the books and records of the mortgage banker by an independent **certified** public accountant who holds a ~~permit~~ **license** to ~~engage in the~~ practice ~~of public accounting~~ in this State **or in any other state** that has not been revoked or suspended.

2. ~~The~~ **Unless otherwise prohibited by the Registry, the** Commissioner may grant a reasonable extension for the submission of a financial statement pursuant to this section if a mortgage banker requests such an extension before the date on which the financial statement is due.

3. If a mortgage banker maintains any accounts described in NRS 645E.430, the financial statement submitted pursuant to this section must be audited. ~~The public accountant who prepares the report of an audit shall submit a copy of the report to the Commissioner at the same time that he or she submits the report to the mortgage banker.~~

4. The Commissioner may require the financial statement to be submitted directly to the Commissioner or, if the mortgage banker that submits the financial statement is required to register or voluntarily registers with the Registry, to the Division through the Registry.

5. The Commissioner shall adopt regulations prescribing the scope of an audit conducted pursuant to subsection 3.

Sec. 81. NRS 645E.375 is hereby amended to read as follows:

645E.375 1. Except as otherwise provided in this section and NRS 239.0115, a complaint filed with the Commissioner, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.

2. The complaint or other document filed by the Commissioner to initiate disciplinary action and all documents and information considered by the Commissioner when determining whether to impose discipline are public records.

3. *The Commissioner may disclose any document or information made confidential under subsection 1 to the party against whom the complaint is made, a licensing board or agency, the Registry or any other governmental agency, including, without limitation, a law enforcement agency.*

Sec. 82. NRS 645E.390 is hereby amended to read as follows:

645E.390 1. The Commissioner must be notified of a transfer of ~~15~~ **10** percent or more of the outstanding voting stock of a mortgage banker and must approve a transfer of voting stock of a mortgage banker which constitutes a change of control.

2. The person who acquires stock resulting in a change of control of the mortgage banker shall apply to the Commissioner for approval of the transfer. The application must contain information which shows that the requirements of this chapter **and of the Registry, if applicable**, for obtaining a license will be satisfied after the change of control. Except as otherwise provided in subsection 3, the Commissioner shall conduct an investigation to determine whether those requirements will be satisfied. If, after the investigation, the Commissioner denies the application, the Commissioner may forbid the applicant from participating in the business of the mortgage banker.

3. A mortgage banker may submit a written request to the Commissioner to waive an investigation pursuant to subsection 2. The Commissioner may grant a waiver if the applicant has undergone a similar investigation by a state or federal agency in connection with the licensing of or his or her employment with a financial institution.

4. As used in this section, "change of control" means:

(a) A transfer of voting stock which results in giving a person, directly or indirectly, the power to direct the management and policy of a mortgage banker; or

(b) A transfer of at least 25 percent of the outstanding voting stock of a mortgage banker.

Sec. 83. NRS 645E.420 is hereby amended to read as follows:

645E.420 1. Except as otherwise **permitted by law and as otherwise** provided in subsection 3, the amount of any advance fee, salary, deposit or money paid to any mortgage banker or other person to obtain a loan secured

by a lien on real property must be placed in escrow pending completion of the loan or a commitment for the loan.

2. The amount held in escrow pursuant to subsection 1 must be released:

(a) Upon completion of the loan or commitment for the loan, to the mortgage banker or other person to whom the advance fee, salary, deposit or money was paid.

(b) If the loan or commitment for the loan fails, to the person who made the payment.

3. Advance payments to cover reasonably estimated costs paid to third persons are excluded from the provisions of subsections 1 and 2 if the person making them first signs a written agreement which specifies the estimated costs by item and the estimated aggregate cost, and which recites that money advanced for costs will not be refunded. If an itemized service is not performed and the estimated cost thereof is not refunded, the recipient of the advance payment is subject to the penalties provided in NRS 645E.960.

Sec. 84. NRS 645E.670 is hereby amended to read as follows:

645E.670 1. For each violation committed by an applicant, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than ~~the amount of the advance fee, salary, deposit or money paid~~ **\$25,000** if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than ~~the amount of the advance fee, salary, deposit or money paid~~ **\$25,000**, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such:

(a) Is insolvent;

(b) Is grossly negligent or incompetent in performing any act for which the licensee is required to be licensed pursuant to the provisions of this chapter;

(c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that the licensee cannot continue in business with safety to his or her customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by the licensee, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(j) Has been convicted of, or entered ***or agreed to enter*** a plea of nolo contendere to, a felony ~~relating to the practice of mortgage bankers or any crime involving fraud, misrepresentation or moral turpitude;~~ ***in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;***

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS;

(m) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(o) Has violated NRS 645C.557;

(p) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use; or

(q) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.

3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 85. NRS 645E.690 is hereby amended to read as follows:

645E.690 1. If a person offers or provides any of the services of a mortgage banker or mortgage agent or otherwise engages in, carries on or holds himself or herself out as engaging in or carrying on the business of a mortgage banker or mortgage agent and, at the time:

(a) The person was required to have a license pursuant to this chapter and the person did not have such a license; or

(b) The person's license was suspended or revoked pursuant to this chapter,

➡ the Commissioner shall impose upon the person an administrative fine of not more than \$50,000 for each violation and, if the person has a license, the Commissioner ~~shall~~ **may suspend or** revoke it.

2. If a mortgage banker violates subsection 1 of NRS 645E.350 and the mortgage banker fails, without reasonable cause, to remedy the violation within 20 business days after being ordered by the Commissioner to do so or within such later time as prescribed by the Commissioner, or if the Commissioner orders a mortgage banker to provide information, make a report or permit an examination of his or her books or affairs pursuant to this chapter and the mortgage banker fails, without reasonable cause, to comply with the order within 20 business days or within such later time as prescribed by the Commissioner, the Commissioner shall:

(a) Impose upon the mortgage banker an administrative fine of not more than ~~than \$10,000~~ **\$25,000** for each violation;

(b) Suspend or revoke the license of the mortgage banker; and

(c) Conduct a hearing to determine whether the mortgage banker is conducting business in an unsafe and injurious manner that may result in danger to the public and whether it is necessary for the Commissioner to take possession of the property of the mortgage banker pursuant to NRS 645E.630.

Sec. 86. NRS 645E.955 is hereby amended to read as follows:

645E.955 1. ~~The holder of~~ **A person who engages in an activity for which** a license as a mortgage banker ~~may be~~ **is required pursuant to this chapter, without regard to whether such a person is licensed pursuant to this chapter, may be required** by the Commissioner to pay restitution to any person who has suffered an economic loss as a result of a violation of the provisions of this chapter or any regulation adopted pursuant thereto.

2. Notwithstanding the provision of paragraph (m) of subsection 1 of NRS 622A.120, payment of restitution pursuant to subsection 1 shall be done in a manner consistent with the provisions of chapter 622A of NRS.

Sec. 87. Chapter 645F of NRS is hereby amended by adding thereto the provisions set forth as sections 88, 89 and 90 of this act.

Sec. 88. *“Residence” means a structure that contains not more than four individual units designed or intended for occupancy regardless of whether such a structure is attached to real property. The term includes an individual condominium unit, cooperative unit, mobile home or trailer used for occupancy.*

Sec. 89. (Deleted by amendment.)

Sec. 90. 1. *Any person authorized to engage in activities as a residential mortgage loan originator on behalf of an installment loan*

lender licensed under chapter 675 of NRS shall obtain and maintain a license as a mortgage agent.

2. *As used in this section:*

(a) *“Mortgage agent” has the meaning ascribed to in NRS 645B.0125; and*

(b) *“Residential mortgage loan originator” has the meaning ascribed to it in NRS 645B.01325.*

Sec. 91. NRS 645F.280 is hereby amended to read as follows:

645F.280 1. The Commissioner shall establish by regulation rates to be paid by ~~escrow agencies, mortgage agents, mortgage brokers, mortgage bankers, persons who perform any covered service for compensation, foreclosure consultants and loan modification consultants~~ **all persons licensed by the Commissioner or the Division** for supervision and examinations by the Commissioner or the Division.

2. In establishing a rate pursuant to subsection 1, the Commissioner shall consider:

- (a) The complexity of the various examinations to which the rate applies;
- (b) The skill required to conduct the examinations;
- (c) The expenses associated with conducting the examination and preparing a report; and
- (d) Any other factors the Commissioner deems relevant.

Sec. 92. NRS 645F.290 is hereby amended to read as follows:

645F.290 1. The Commissioner shall collect an assessment pursuant to this section from each ~~entity~~:

- ~~(a) Escrow agency that is supervised pursuant to chapter 645A of NRS;~~
- ~~(b) Mortgage broker that is supervised pursuant to chapter 645B of NRS;~~
- ~~(c) Mortgage agent that is supervised pursuant to chapter 645B or 645E of NRS;~~
- ~~(d) Mortgage banker that is supervised pursuant to chapter 645E of NRS; and~~

~~(e) Person who performs any covered service for compensation, each foreclosure consultant and each loan modification consultant that is supervised pursuant to this chapter.~~ **person licensed by the Commissioner or the Division.**

2. The Commissioner shall determine the total amount of all assessments to be collected from the ~~entities~~ **persons** identified in subsection 1, but that amount must not exceed the amount necessary to recover the cost of legal services provided by the Attorney General to the Commissioner and to the Division. The total amount of all assessments collected must be reduced by any amounts collected by the Commissioner from ~~an entity~~ **a person** for the recovery of the costs of legal services provided by the Attorney General in a specific case.

3. The Commissioner shall collect from each ~~entity~~ **person** identified in subsection 1 an assessment that is based on:

- (a) An equal basis; or

(b) Any other reasonable basis adopted by the Commissioner.

4. The assessment required by this section is in addition to any other assessment, fee or cost required by law to be paid by ~~an entity~~ **a person** identified in subsection 1.

5. Money collected by the Commissioner pursuant to this section must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

Sec. 93. NRS 645F.291 is hereby amended to read as follows:

645F.291 1. In the conduct of any examination, periodic or special audit, investigation or hearing, the Commissioner may:

(a) Compel the attendance of any person by subpoena.

(b) **Compel the production of any books, records or papers by subpoena.**

(c) Administer oaths.

~~1(c)~~ (d) Examine any person under oath concerning the business and conduct of affairs of any person subject to the provisions of this chapter and in connection therewith require the production of any books, records or papers relevant to the inquiry.

2. Any person subpoenaed under the provisions of this section who willfully refuses or willfully neglects to appear at the time and place named in the subpoena or to produce books, records or papers required by the Commissioner, or who refuses to be sworn or answer as a witness, is guilty of a misdemeanor.

3. In addition to the authority to recover attorney's fees and costs pursuant to any other statute, the Commissioner may assess against and collect from a person all costs, including, without limitation, reasonable attorney's fees, that are attributable to any examination, periodic or special audit, investigation or hearing that is conducted to examine or investigate the conduct, activities or business of the person pursuant to this chapter.

Sec. 94. NRS 645F.294 is hereby amended to read as follows:

645F.294 1. Except as otherwise provided in section 1512 of Public Law 110-289, **12 U.S.C. § 5111**, the requirements under any federal law or NRS 645B.060 and 645B.092 regarding the confidentiality of any information or material provided to the Registry, and any privilege arising under federal **law or the** laws of this State with respect to such information or material, continue to apply to such information or material after it has been disclosed to the Registry. Such information and material may be shared with federal and state regulatory officials with mortgage industry oversight without the loss of privilege or the loss of confidentiality protections provided by federal law or the provisions of NRS 645B.060 and 645B.092.

2. Information or material that is subject to a privilege or confidentiality under subsection 1 is not subject to:

(a) Disclosure under any federal or state law governing the disclosure to the public of information held by an officer or agency of the Federal Government or the State of Nevada; and

(b) Subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless with respect to any privilege held by

the Registry with respect to such information or material, the person to whom such information or material waives, in whole or in part, that privilege.

3. This section does not apply to information or material relating to:

(a) The employment history of; and

(b) Publicly adjudicated disciplinary and enforcement actions against,

↪ residential mortgage loan originators included in the Registry for access by the public.

Sec. 95. NRS 645F.300 is hereby amended to read as follows:

645F.300 As used in NRS 645F.300 to 645F.450, inclusive, **and section 88 of this act**, unless the context otherwise requires, the words and terms defined in NRS 645F.310 to 645F.370, inclusive, **and section 88 of this act** have the meanings ascribed to them in those sections.

Sec. 96. NRS 645F.310 is hereby amended to read as follows:

645F.310 “Covered service” includes, without limitation:

1. Financial counseling ~~to~~ **to a homeowner**, including, without limitation, debt counseling and budget counseling.

2. Receiving money for the purpose of distributing it to creditors in payment or partial payment of any obligation secured by a mortgage or other lien on a residence in foreclosure.

3. Contacting a creditor on behalf of a homeowner.

4. Arranging or attempting to arrange for an extension of the period within which a homeowner may cure a default and reinstate an obligation pursuant to a note, mortgage or deed of trust.

5. Arranging or attempting to arrange for any delay or postponement of the time of a foreclosure sale ~~to~~ **of a residence in foreclosure.**

6. Advising **a homeowner regarding** the filing of any document or assisting in any manner in the preparation of any document for filing with a bankruptcy court.

7. Giving any advice, explanation or instruction to a homeowner which in any manner relates to the cure of a default in or the reinstatement of an obligation secured by a mortgage or other lien on ~~the~~ **a residence**, ~~in foreclosure,~~ the full satisfaction of the obligation, or the postponement or avoidance of a foreclosure sale.

8. Arranging or conducting, or attempting to arrange or conduct, for a homeowner any forensic loan audit or review or other audit or review of loan documents.

9. Arranging or attempting to arrange for a homeowner the purchase by a third party of the homeowner’s mortgage loan.

10. Arranging or attempting to arrange for a homeowner a reduction of the principal of the homeowner’s mortgage loan when such a mortgage loan is held by ~~and~~ or serviced by a third party.

11. Providing the services of a loan modification consultant.

12. Providing the services of a foreclosure consultant.

Sec. 97. NRS 645F.370 is hereby amended to read as follows:

645F.370 “Residence in foreclosure” means ~~residential real property consisting of not more than four family dwelling units, one of~~ **a residence** which the homeowner occupies as his or her principal place of residence, and against which there is an outstanding notice of the pendency of an action for foreclosure recorded pursuant to NRS 14.010 or notice of default and election to sell recorded pursuant to NRS 107.080.

Sec. 98. NRS 645F.380 is hereby amended to read as follows:

645F.380 The provisions of NRS 645F.300 to 645F.450, inclusive, **and section 88 of this act** do not apply to, and the terms “foreclosure consultant” and “foreclosure purchaser” do not include:

1. An attorney at law rendering services in the performance of his or her duties as an attorney at law ~~and his or her employees~~, unless the attorney at law ~~is~~ **or his or her employees are** rendering those services in the course and scope of his or her employment by or other affiliation with a ~~mortgage broker or mortgage agent~~ **person who is licensed or required to be licensed pursuant to NRS 645F.390;**

2. A provider of debt-management services registered pursuant to chapter 676A of NRS while providing debt-management services pursuant to chapter 676A of NRS;

3. A person or the authorized agent of a person acting under the provisions of a program sponsored by the Federal Government, this State or a local government, including, without limitation, the Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or the Federal Home Loan Bank ~~System~~ **System;**

4. A person who holds or is owed an obligation secured by a mortgage or other lien on a residence in foreclosure if the person performs services in connection with this obligation or lien and the obligation or lien did not arise as the result of or as part of a proposed foreclosure reconveyance;

5. Any person doing business under the laws of this State or of the United States relating to banks, trust companies, savings and loan associations, industrial loan and thrift companies, regulated lenders, credit unions, insurance companies, or a mortgagee which is a United States Department of Housing and Urban Development approved mortgagee and any subsidiary or affiliate of those persons, and any agent or employee of those persons while engaged in the business of those persons;

6. A person, other than a person who is licensed pursuant to NRS 645F.390, who is licensed pursuant to chapter 692A or any chapter of title 54 of NRS while acting under the authority of the license;

7. A nonprofit agency or organization that offers credit counseling or advice to a homeowner of a residence in foreclosure or a person in default on a loan; or

8. A judgment creditor of the homeowner whose claim accrued before the recording of the notice of the pendency of an action for foreclosure

against the homeowner pursuant to NRS 14.010 or the recording of the notice of default and election to sell pursuant to NRS 107.080.

Sec. 99. NRS 645F.390 is hereby amended to read as follows:

645F.390 1. The Commissioner shall adopt ~~separate~~ regulations for the licensing of :

- (a) ~~A~~ ~~for~~ person who performs any covered service ~~for~~ for compensation;
- (b) A foreclosure consultant; and
- (c) A loan modification consultant.

2. The regulations must prescribe, without limitation:

- (a) The method and form of application for a license;
- (b) The method and form of the issuance, denial or renewal of a license;
- (c) The grounds and procedures for the revocation, suspension or nonrenewal of a license; ~~and~~

(d) The imposition of reasonable fees for application and licensure ~~for~~ ;
and

(e) *Any provisions necessary to comply with the provisions of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, Public Law 110-289, 12 U.S.C. §§ 5101 et seq., including registration with the Registry, and the Mortgage Assistance Relief Services Rule, 16 C.F.R. Part 322, as promulgated by the Federal ~~Trade~~ Trade Commission.*

3. *An application for a license pursuant to this section must include a complete set of the fingerprints of the applicant or, if the applicant is not a natural person, a complete set of the fingerprints of each person who will have an interest in the person who performs any covered service as a principal, partner, officer, director or trustee, and written permission authorizing the Division to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.*

Sec. 100. NRS 645F.392 is hereby amended to read as follows:

645F.392 1. A person who performs any covered service for compensation ~~for a foreclosure consultant and a loan modification consultant~~ shall execute a written contract with a homeowner before providing any covered service.

2. The Commissioner shall adopt regulations describing the information that must be contained in a written contract for covered services.

Sec. 101. NRS 645F.394 is hereby amended to read as follows:

645F.394 ~~1. All money paid to a person who performs any covered service for compensation, a foreclosure consultant or a loan modification consultant by a person in full or partial payment of covered services to be performed:~~

(a) ~~Must be deposited in a separate checking account located in a federally insured depository financial institution or credit union in this State which must be designated a trust account;~~

~~(b) Must be kept separate from money belonging to the person who performs any covered service for compensation, the foreclosure consultant or the loan modification consultant; and~~

~~(c) Must not be withdrawn by the person who performs any covered service for compensation, foreclosure consultant or loan modification consultant until the completion of every covered service as agreed upon in the contract for covered services.~~

~~2. The person who performs any covered service for compensation, the foreclosure consultant or the loan modification consultant shall keep records of all money deposited in a trust account pursuant to subsection 1. The records must clearly indicate the date and from whom he or she received money, the date deposited, the dates of withdrawals, and other pertinent information concerning the transaction, and must show clearly for whose account the money is deposited and to whom the money belongs. The person who performs any covered service for compensation, the foreclosure consultant or the loan modification consultant shall balance each separate trust account at least monthly and provide to the Commissioner, on a form provided by the Commissioner, an annual accounting which shows an annual reconciliation of each separate trust account. All such records and money are subject to inspection and audit by the Commissioner and authorized representatives of the Commissioner.~~

~~3. Each person who performs any covered service for compensation, each foreclosure consultant and each loan modification consultant shall notify the Commissioner of the names of the banks and credit unions in which he or she maintains trust accounts and specify the names of the accounts on forms provided by the Commissioner.~~

~~4. As used in this section, "completion of every covered service" means:~~

~~(a) Successful results with respect to what the performance of each covered service was intended to yield for the homeowner, as described in the contract for covered services; or~~

~~(b) If the performance of one or more covered service has an unsuccessful result with respect to what the performance of that covered service was intended to yield for the homeowner, a showing that every reasonable effort was made, under the particular circumstances, to obtain successful results,~~

~~as verified in a written statement provided to the homeowner.} A person licensed or required to be licensed pursuant to NRS 645F.390 may not request or receive payment of any fee or other compensation from a homeowner until such a person has fully complied with the provisions of the Mortgage Assistance Relief Services Rule, 16 C.F.R. Part 322, and any other applicable federal law or regulation.~~

Sec. 102. NRS 645F.400 is hereby amended to read as follows:

645F.400 1. A person who performs any covered service ~~[-a foreclosure consultant and a loan modification consultant]~~ shall not:

(a) Claim, demand, charge, collect or receive any compensation except in accordance with NRS 645F.394.

(b) Claim, demand, charge, collect or receive any fee, interest or other compensation for any reason which is not fully disclosed to the homeowner.

(c) Take **or acquire, directly or indirectly**, any wage assignment, lien on real or personal property, assignment of a homeowner's equity ~~for other~~, **any** interest in a residence ~~in foreclosure~~ or other security for the payment of compensation. Any such **assignment or** security is void and unenforceable.

(d) Receive any consideration from any third party in connection with a covered service provided to a homeowner unless the consideration is first fully disclosed to the homeowner.

(e) ~~Acquire, directly or indirectly, any interest in the residence in foreclosure of a homeowner with whom the foreclosure consultant has contracted to perform a covered service.~~

~~(f)~~ Accept a power of attorney from a homeowner for any purpose, other than to inspect documents as provided by law.

2. In addition to any other penalty, a violation of any provision of this section shall be deemed to constitute mortgage lending fraud for the purposes of NRS 205.372.

Sec. 103. NRS 645F.410 is hereby amended to read as follows:

645F.410 1. In addition to any other remedy or penalty, the Commissioner may, after giving notice and opportunity to be heard, impose an administrative penalty of not more than ~~[\$10,000 on a foreclosure consultant]~~ **\$25,000 on any person licensed or required to be licensed pursuant to NRS 645F.390 who violates any provision of ~~[NRS 645F.400.]~~ this chapter or any regulation adopted pursuant thereto ~~+~~ or any other applicable law.**

2. Except as otherwise provided in this section, all money collected from administrative penalties imposed pursuant to this section must be deposited in the State General Fund.

3. The money collected from an administrative penalty may be deposited with the State Treasurer for credit to the Fund for Mortgage Lending created by NRS 645F.270 if:

(a) The person pays the administrative penalty without exercising the right to a hearing to contest the penalty; or

(b) The administrative penalty is imposed in a hearing conducted by a hearing officer or panel appointed by the Commissioner.

4. The Commissioner may appoint one or more hearing officers or panels and may delegate to those hearing officers or panels the power of the Commissioner to conduct hearings, determine violations and impose the penalties authorized by this section.

5. If money collected from an administrative penalty is deposited in the State General Fund, the Commissioner may present a claim to the State Board of Examiners for recommendation to the Interim Finance Committee if money is needed to pay attorney's fees or the costs of an investigation, or both.

Sec. 104. NRS 645F.420 is hereby amended to read as follows:

645F.420 1. A homeowner who is injured as a result of a ~~foreclosure consultant's~~ **person's** violation of a provision of NRS 645F.400 may bring an action against the ~~foreclosure consultant~~ **person** to recover damages caused by the violation, together with reasonable attorney's fees and costs.

2. If the homeowner prevails in the action, the court may award such punitive damages as may be determined by a jury, or by a court sitting without a jury, but in no case may the punitive damages be less than one and one-half times the amount awarded to the homeowner as actual damages.

Sec. 105. NRS 658.210 is hereby amended to read as follows:

658.210 1. ~~Any~~ **Except as otherwise provided in section 90 of this act, any** person authorized to engage in activities as a residential mortgage loan originator on behalf of a privately insured institution or organization licensed under title 55 or 56 of NRS shall obtain and maintain a license as a mortgage agent.

2. As used in subsection 1:

(a) "Mortgage agent" has the meaning ascribed to in NRS 645B.0125; and

(b) "Residential mortgage loan originator" has the meaning ascribed to it in NRS 645B.01325.

Sec. 106. NRS 645B.044 is hereby repealed.

Sec. 106.5. 1. The Commissioner shall issue a provisional license as an escrow agency or an escrow agent, as applicable, to a person if, on or before October 1, 2011, the person submits to the Commissioner:

(a) For a provisional license as an escrow agency, proof satisfactory to the Commissioner that the person is a construction control and that the majority of the business conducted by the person is business in which the person serves as a construction control;

(b) For a provisional license as an escrow agent, proof satisfactory to the Commissioner that the person is a natural person who engages in activity related to the business of a construction control on behalf of a construction control who holds a provisional license as an escrow agency or holds a license as an escrow agency;

(c) A complete application for a license as an escrow agency or an escrow agent, as applicable, which complies with the requirements of chapter 645A of NRS, as amended by this act, and all regulations adopted pursuant thereto, accompanied by all other documentation and materials required of an applicant for a license as an escrow agency or an escrow agent, as applicable, by the provisions of chapter 645A of NRS, as amended by this act, and all regulations adopted pursuant thereto, except for regulations adopted pursuant to NRS 645A.021;

(d) For a provisional license as an escrow agency, a bond which complies with the requirements of NRS 645A.041, as amended by section 6 of this act, or a substitute for that bond which complies with the requirements of NRS 645A.042; and

(e) A statement satisfactory to the Commissioner, signed by the person, that the person understands the provisions of this section including, without limitation, the provisions governing the expiration of a provisional license.

2. Upon receipt of documentation and materials from a person pursuant to subsection 1, the Commissioner shall:

(a) Determine whether the person has submitted all documentation and materials required by subsection 1 for a provisional license as an escrow agency or an escrow agent;

(b) If the person has submitted all documentation and materials required by subsection 1 for a provisional license as an escrow agency, issue to the person a provisional license as an escrow agency;

(c) If the person has submitted all documentation and materials required by subsection 1 for a provisional license as an escrow agent, issue to the person a provisional license as an escrow agent; and

(d) Without regard to whether the Commissioner issues a provisional license as an escrow agency or an escrow agent to the person pursuant to paragraph (b) or (c), if the person has submitted all documentation and materials required by paragraph (c) of subsection 1 to apply for a license as an escrow agency or an escrow agent, process the materials as an application for a license as an escrow agency or an escrow agent, as applicable, in accordance with the provisions of chapter 645A of NRS, as amended by this act, and all regulations adopted pursuant thereto. Notwithstanding any provisions of this paragraph to the contrary, if the Commissioner issues a provisional license as an escrow agency or an escrow agent to the person pursuant to paragraph (b) or (c), the Commissioner may cease any processing of the person's application for a license as an escrow agency or an escrow agent, as applicable, upon expiration of the provisional license pursuant to the provisions of this section.

3. Except as otherwise provided in this section, a provisional license as an escrow agency or an escrow agent shall be deemed to be a license as an escrow agency or an escrow agent, as applicable.

4. A provisional license expires automatically:

(a) Notwithstanding the provisions of subsection 7, upon receipt by the person of written notice from the Commissioner that the Commissioner has denied, for any reason, the person's application for a license as an escrow agency or an escrow agent, as applicable;

(b) Upon the issuance to the person by the Commissioner of a license as an escrow agency or an escrow agent, as applicable;

(c) Ninety days after the date of issuance of the provisional license if the holder of the provisional license:

(1) Is a natural person who is required by NRS 645A.021 and any regulations adopted pursuant thereto to complete educational

rerequisites to obtain a license as an escrow agency or an escrow agent, as applicable;

(2) Has not completed the educational prerequisites specified in subparagraph (1) as required for an applicant for a license as an escrow agency or an escrow agent, as applicable; and

(3) Has not requested, or the Commissioner has denied a request by the holder for, an extension of the time for completion of the educational prerequisites specified in this paragraph; or

(d) On December 31, 2011, if the holder of the provisional license has not requested, or the Commissioner has denied a request by the holder for, an extension of the expiration date set forth in this paragraph.

5. A request for an extension pursuant to subparagraph (3) of paragraph (c) of subsection 4 or paragraph (d) of subsection 4 must set forth reasons which would support a finding by the Commissioner of good cause to grant the extension. The Commissioner may grant such a request for an extension only upon a finding by the Commissioner that good cause exists to grant such an extension.

6. The Commissioner shall not issue a provisional license to a person who submits the documentation and materials required by subsection 1 for a provisional license after October 1, 2011.

7. A provisional license issued by the Commissioner before July 1, 2011:

(a) Is effective on July 1, 2011; and

(b) Shall be deemed to have been issued on July 1, 2011.

8. As used in this section:

(a) "Commissioner" has the meaning ascribed to it in NRS 645A.010.

(b) "Construction control" has the meaning ascribed to it in NRS 627.050.

(c) "License" means a license as an escrow agency or an escrow agent, as applicable, issued pursuant to the provisions of chapter 645A of NRS, as amended by this act, and all regulations adopted pursuant thereto.

(d) "Provisional license" means a provisional license as an escrow agency or an escrow agent, as applicable, issued pursuant to the provisions of this section.

~~Sec. 107. [1.— This section and section 101 of this act become effective upon passage and approval.~~

~~2.— Sections 87, 88, 91 to 100, inclusive, 102, 103 and 104 of this act become effective.] This act becomes~~ effective:

~~[(a)] 1.~~ Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

~~[(b)] 2.~~ On July 1, 2011, for all other purposes.

~~3.— Sections 1 to 86, inclusive, 89, 90, 105 and 106 of this act become effective.~~

~~(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and~~

~~(b) On October 1, 2011, for all other purposes.]~~

TEXT OF REPEALED SECTION

645B.044 Mortgage broker may deposit substitute form of security in lieu of security bond; amount deposited must equal amount of bond; interest or dividends accrue to depositor.

1. As a substitute for the surety bond required by NRS 645B.042, a mortgage broker may, in accordance with the provisions of this section, deposit with any bank or trust company authorized to do business in this State, in a form approved by the Commissioner:

(a) An obligation of a bank, savings and loan association, thrift company or credit union licensed to do business in this State;

(b) Bills, bonds, notes, debentures or other obligations of the United States or any agency or instrumentality thereof, or guaranteed by the United States; or

(c) Any obligation of this State or any city, county, town, township, school district or other instrumentality of this State, or guaranteed by this State.

2. The obligations of a bank, savings and loan association, thrift company or credit union must be held to secure the same obligation as would the surety bond. With the approval of the Commissioner, the depositor may substitute other suitable obligations for those deposited which must be assigned to the State of Nevada and are negotiable only upon approval by the Commissioner.

3. Any interest or dividends earned on the deposit accrue to the account of the depositor.

4. The deposit must be in an amount at least equal to the required surety bond and must state that the amount may not be withdrawn except by direct and sole order of the Commissioner. The value of any item deposited pursuant to this section must be based upon principal amount or market value, whichever is lower.

Assemblyman Atkinson moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 93.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 371.

JOINT SPONSORS: SENATORS HORSFORD AND PARKS

SUMMARY—Provides for the establishment of ~~intermediate sanction facilities]~~ **a pilot diversion program** within the Department of Corrections

to provide treatment for alcohol or drug abuse or mental illness to certain probation violators. ~~and offenders.~~ (BDR S-509)

AN ACT relating to criminal offenders; requiring the Department of Corrections to establish ~~intermediate sanction facilities~~ **a pilot diversion program** for certain probation violators ~~and offenders~~ to receive treatment for alcohol or drug abuse ~~or~~ **or mental illness**; requiring the Department of Health and Human Services to provide such treatment; ~~authorizing courts to set aside the conviction of an offender or return a probation violator to probation in lieu of imprisonment upon successful completion of treatment at an intermediate sanction facility;~~ making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that a person who violates the conditions of his or her probation must be brought before the court to determine the actions to be taken, which may include causing the sentence imposed to be executed. (NRS 176A.630) Existing law also authorizes the establishment of programs of treatment for alcohol and drug abuse by the district courts for the treatment of certain offenders. (NRS 453.580) A person who elects to participate in such a treatment program may have his or her sentence set aside upon successful completion of the treatment program. (NRS 458.330) Section 1 of this bill requires the Department of Corrections to establish ~~intermediate sanction facilities~~ **a pilot diversion program** within the facilities maintained by the Department. The ~~intermediate sanction facilities~~ **pilot diversion program** must be used to provide intensive treatment to certain probation violators ~~and offenders~~ who are determined to be alcoholics or drug addicts or in need of treatment for a mental illness and are ordered to the custody of the Department to receive such treatment. The Department of Corrections is required to provide food and housing as well as ~~necessary~~ **emergency** medical ~~and dental~~ services, but is not responsible for providing treatment to the persons placed in the facilities, which instead is to be provided by the Department of Health and Human Services. **Section 1 also requires probationers to release in writing the Department of Corrections from liability as a condition of participation in the pilot diversion program.** Section 2 of this bill requires the Director of the Department of Health and Human Services to provide for the evaluation of probation violators ~~and offenders~~ referred to the Department **of Health and Human Services** by the court and authorizes the Director to enter into contracts with qualified persons or entities to provide such evaluations and treatment.

~~Sections~~ **Section 3** ~~and 4~~ of this bill ~~identify~~ **identifies** the probation violators ~~and offenders~~ who are eligible to elect placement in ~~an intermediate sanction facility~~. Section 5 of this bill provides that assignment to an intermediate sanction facility is a civil commitment, and not a criminal conviction. Section 5 further provides that placement in an intermediate sanction facility is not a right and is within the discretion of the district

~~court.}~~ **the pilot diversion program.** Section 6 of this bill provides that a person placed in ~~an intermediate sanction facility}~~ **the pilot diversion program** is required to pay for the cost of his or her treatment and supervision to the extent of his or her financial resources and authorizes a court to require such a person to perform community service upon completion of treatment to contribute toward the cost of his or her treatment and supervision.

Section ~~7.5~~ **7.5** of this bill provides that ~~the court will defer sentencing of a probation violator or offender who is placed in an intermediate sanction facility. Upon successful completion of the treatment, the court may set aside the conviction of an offender, or may require the offender to first complete a period of probation and then set aside the conviction. Upon successful completion of treatment by a probation violator, he or she will be returned to the custody of the Division of Parole and Probation of the Department of Public Safety.}~~ **upon satisfaction of the terms and conditions imposed upon a probation violator for participation in the pilot diversion program, the court shall release the probationer from supervision and order the probationer** to complete any period of probation ~~without having the sentence executed.}~~ If a probation violator ~~for an offender}~~ **violates the rules of the program or** does not **satisfy the terms and conditions of participation or** successfully complete treatment, the court may ~~execute the sentence. If a person placed in an intermediate sanction facility is not benefiting from treatment, the Director of the Department of Health and Human Services may inform the court, which may then determine whether to terminate or continue the treatment.}~~ **revoke probation.** Section 8 of this bill requires the Department of Corrections ~~to collect data concerning the persons placed in intermediate sanction facilities and}~~ **the Department of Health and Human Services and the Division of Parole and Probation of the Department of Public Safety** to **jointly** provide a report which ~~aggregates the}~~ **provides certain** data ~~to each regular session of the Legislature.}~~ **for the Interim Finance Committee.** Section 10 of this bill makes an appropriation to the Department of Health and Human Services to pay for the evaluation and treatment of probation violators. ~~and offenders.}~~ This bill is established as a pilot program, and **section 11** of this bill makes it expire by limitation on July 1, 2015.

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

Section 1. 1. The Department of Corrections shall establish ~~intermediate sanction facilities}~~ **a pilot diversion program** within the correctional institutions or other facilities maintained by the Department. ~~The intermediate sanction facilities must be used to provide intensive treatment for alcohol or drug abuse to certain probation violators and offenders who are ordered to the custody of the Department to receive such treatment pursuant to sections 3 and 4 of this act.}~~

2. The Department of Corrections shall ensure that ~~{intermediate sanction}~~ facilities of adequate capacity for the pilot diversion program are available in ~~{the northern and southern regions of}~~ one or more suitable locations within the ~~{State and have a total capacity of not less than 400 offenders, with not less than 250 offenders placed in facilities in the southern region of the}~~ State. The Department shall not be required to provide housing for more than 50 probation violators at one time.

3. The Department of Corrections shall provide a healthful diet and appropriate, secure and sanitary housing and necessary emergency medical ~~{and dental}~~ services for the probation violators ~~{and offenders}~~ who are placed in ~~{an intermediate sanction facility. The}~~ the pilot division program, but the Department is not responsible for providing treatment to the probation violators ~~{or offenders placed in an intermediate sanction facility.}~~

~~4. Probation violators and offenders who are placed in an intermediate sanction facility must be kept separate from and have no direct contact with the general prison population.}~~ remanded to the pilot diversion program pursuant to section 3 of this act.

4. As a condition of participation in the program, a probationer must release in writing the Department from liability and agree to abide by the applicable rules and regulations of the Department.

Sec. 2. 1. ~~{The}~~ To the extent practicable within the appropriation provided in section 10 of this act, the Director of the Department of Health and Human Services shall provide for the evaluation of each probation violator ~~{and offender}~~ who is ordered to be evaluated by a court pursuant to section 5 of this act to determine if the probation violator ~~{or offender}~~ is an abuser of alcohol or drugs ~~{or}~~ or in need of treatment for a mental illness, and shall provide treatment to any such probation violator ~~{or offender}~~ who is ~~{placed in an intermediate sanction facility}~~ remanded to the pilot diversion program pursuant to section 5 of this act. The Director may ~~{enter}~~ :

(a) Enter into contracts with persons or private entities that are qualified to evaluate and provide such treatment to probation violators ~~{and offenders}~~ who are alcohol or drug abusers ~~{or}~~ or in need of treatment for a mental illness; and

(b) Accept donations, gifts or grants of money or services to supplement the appropriation in section 10 of this act.

2. When a person has completed treatment for the term for which the person was assigned to the ~~{intermediate sanction facility.}~~ pilot diversion program, the Director of the Department or a designee of the Director shall submit a report certifying to the court:

- (a) Whether the person successfully completed the treatment;
- (b) Whether the person is believed to be rehabilitated; and
- (c) Any recommendations for actions to ensure that the person does not begin to abuse alcohol or drugs upon release.

3. The Director of the Department may adopt any regulations necessary to carry out the provisions of this section.

Sec. 3. ~~1. A district court may allow~~ **remand** a probationer who is returned to the district court for a violation of his or her probation to ~~elect to be placed in the custody of an intermediate sanction facility~~ **the pilot diversion program** established pursuant to section 1 of this act **for supervision. The court may allow the probationer who is remanded to the pilot diversion program to:**

(a) Leave the facilities of the Department of Corrections during the day for education, treatment or employment; or

(b) Reside outside the facilities of the Department.

2. The court may require the probationer to receive treatment for alcohol or drug abuse **or a mental illness** if the court has reason to believe that the probationer is an alcoholic or drug addict **or in need of treatment for a mental illness** and the court finds that the probationer:

~~1. Committed only a technical violation of his or her probation;~~

~~2. Has not previously been placed in an intermediate sanction facility for a violation related to the same offense; and~~

~~3. (a) Agrees to participate in the pilot diversion program;~~

(b) Was not returned to the court for committing an act involving violence, the use of force, or the threat of violence or the use of force ~~1.;~~

(c) Meets the requirements for assignment to an institution or facility of minimum security as set forth in NRS 209.481; and

(d) Is not rejected for participation in the pilot diversion program by the Department of Corrections as posing a threat to the health, safety and welfare of:

(1) Other probationers remanded to the program;

(2) Employees of the Department of Corrections and its agents; or

(3) Employees of the Department of Health and Human Services and its agents.

Sec. 4. ~~[A district court may allow an offender who is found guilty of a crime involving the use of alcohol or drugs to elect to be placed in the custody of an intermediate sanction facility established pursuant to section 1 of this act to receive treatment for alcohol or drug abuse if:~~

~~1. The offender is eligible for, but is not able to participate in, a treatment program pursuant to NRS 453.580 because the court has not established such a treatment program, the treatment program cannot accommodate additional offenders or for any other reason; and~~

~~2. The court has reason to believe that the offender is an alcoholic or drug addict and the offender elects to be placed in such a facility to receive the treatment.] (Deleted by amendment.)~~

Sec. 5. 1. ~~If the~~ **Before a** court ~~[determines that]~~ **remands** a probation violator ~~[or offender is eligible]~~ to ~~elect placement in an intermediate sanction facility to receive treatment rather than serving a term of imprisonment,~~ **the pilot diversion program,** the court ~~[shall]~~ **may** order

the examination of the probationer ~~{or offender}~~ by the Department of Health and Human Services or by a person or entity designated by the Director of the Department to determine whether the probationer ~~{or offender}~~ is an alcoholic or drug addict **or in need of treatment for a mental illness** and is likely to be rehabilitated through treatment.

2. ~~{Before ordering a probation violator or offender to the custody of an intermediate sanction facility, the court shall advise the probation violator or offender that:~~

~~(a) Sentencing will be postponed if the probation violator or offender elects to submit to treatment and that the court may impose any conditions upon the election of treatment that it otherwise would be authorized to impose as a condition of probation;~~

~~(b) The probation violator or offender may be required to complete a period of probation after his or her release from the intermediate sanction facility;~~

~~(c) During treatment, the probation violator or offender will be confined in the intermediate sanction facility and will not be allowed to leave the facility; and~~

~~(d) Upon successful completion of the treatment and any subsequent period of probation, the sentence of the probation violator will not be executed or the conviction of the offender will be set aside, as applicable.~~

3. ~~If the court determines that the probation violator {or offender is an alcoholic or a drug addict,}~~ **would benefit from and** is likely to be rehabilitated through treatment and ~~{is a good candidate for treatment,}~~ **the court remands the probationer to the pilot diversion program,** the court ~~{may}~~

~~(a) If the probation violator or offender elects to receive treatment, order the probation violator or offender to the custody of the Department of Corrections for placement in an intermediate sanction facility for a period not to exceed 6 months; and~~

~~(b) Defer sentencing until such time, if any, as sentencing is authorized pursuant to section 7 of this act.~~

4. ~~If the court assigns the probation violator or offender to an intermediate sanction facility, the assignment must include}~~ **shall establish** the terms and conditions for successful completion of the treatment, ~~{and may provide for a period of probation upon release.~~

5. ~~A probation violator or offender does not have a right to be assigned to an intermediate sanction facility pursuant to this section, or to remain in the custody of such a facility after such an assignment. It is not intended that the establishment or operation of an intermediate sanction facility creates any right or interest in liberty or property or establishes a basis for any cause of action against the State of Nevada, its political subdivisions, agencies, boards, commissions, departments, officers or employees. The decision by the court of whether to place a person in an intermediate sanction facility is not subject to appeal.~~

~~6. Assignment of a probation violator or offender to an intermediate sanction facility pursuant to this section after a determination of alcoholism or drug addiction is a civil commitment and shall not be deemed a criminal conviction.~~ **in addition to the terms and conditions that the court establishes pursuant to section 3 of this act.**

Sec. 6. 1. A probation violator ~~for offender~~ who is placed in ~~an intermediate sanction facility~~ **the pilot diversion program for supervision and, if appropriate,** to receive treatment **for alcohol or drug abuse or a mental illness** shall pay the cost of his or her treatment and supervision to the extent of his or her financial resources.

2. A court shall not refuse to place a probation violator ~~for offender~~ in ~~an intermediate sanction facility~~ **the pilot diversion program** if the probation violator ~~for offender~~ does not have the financial resources to pay any or all of the related costs.

3. The court may order a probation violator ~~for offender~~ who is placed in ~~an intermediate sanction facility~~ **the pilot diversion program** to perform a specified amount of community service upon ~~completion of the treatment~~ **release from the program** to contribute toward the cost of his or her treatment and supervision. Any such community service must be performed for and under the supervising authority of a county, city, town or other political subdivision or agency of the State of Nevada or a charitable organization that renders service to the community or its residents.

4. The court may issue a judgment against a probation violator and in favor of the State for the costs of treatment and supervision which remain unpaid when the probationer is released from the pilot diversion program but in no event may the amount of the judgment include any amount of debt which was extinguished by the successful completion of community service pursuant to subsection 3.

Sec. 7. ~~{1. When a probation violator or offender is placed in an intermediate sanction facility, the court must defer sentencing for the violation or offense, and if the Department of Health and Human Services certifies to the court pursuant to section 2 of this act that the probation violator or offender has satisfactorily completed the treatment program, and the court approves the certification and determines that the conditions upon the election of treatment have been satisfied, the court must:~~

~~(a) For an offender, set aside the conviction, or place the offender into the custody of the Division of Parole and Probation of the Department of Public Safety to complete a period of probation. If an offender is required to complete an additional period of probation after completion of the treatment, upon the successful completion of probation, his or her conviction must be set aside.~~

~~(b) For a probation violator, return the probationer to the custody of the Division of Parole and Probation to complete any remaining or additional period of probation.~~

~~2. If, upon conclusion of the period of treatment in an intermediate sanction facility, the Department of Health and Human Services does not certify that the probation violator or offender has completed his or her treatment program satisfactorily, the court must sentence the probation violator or offender. Such a sentence may include causing the sentence for the underlying crime to be executed.~~

~~3. If, before the treatment period expires, the Director of the Department of Health and Human Services, or his or her designee, determines that the probation violator or offender is not likely to benefit from further treatment at the facility or is not likely to be rehabilitated, the Director or designee of the Director must so advise the court. The court shall then determine whether to allow the probation violator or offender to remain in the intermediate sanction facility to continue treatment or terminate the treatment and sentence the person.~~

~~4. Any time that a probation violator or offender is confined in an intermediate sanction facility must be deducted from any sentence that is imposed pursuant to this section.} (Deleted by amendment.)~~

Sec. 7.5. 1. When the court determines that a probation violator who was remanded to the pilot diversion program has satisfied the applicable terms and conditions established pursuant to sections 3 and 5 of this act, the court shall release the probationer from supervision and order the probationer to complete any remaining or additional period of probation as determined by the court.

2. If the court determines that a probation violator who was remanded to the pilot diversion program is violating the rules of participation in the program, has not satisfied the terms or conditions of participation in the program or has not successfully completed the treatment for alcohol or drug abuse or a mental illness, the court may revoke probation.

~~Sec. 8. {1. The Department of Corrections shall collect data concerning each person who is placed in an intermediate sanction facility. Such data must include, without limitation, the following information about the person:~~

- ~~(a) Race and ethnicity;~~
- ~~(b) Gender;~~
- ~~(c) The crime committed by the person and the sentence that may be imposed if the person does not successfully complete treatment;~~
- ~~(d) The violation committed while on probation, if applicable;~~
- ~~(e) The number of persons placed in an intermediate sanction facility who are incarcerated in an institution or facility of the Department within 2 years after completing treatment in an intermediate sanction facility; and~~
- ~~(f) The fiscal impact of the program, including any cost savings.~~

2.} The {Director} Department of Corrections, the Department of Health and Human Services and the Division of Parole and Probation of the Department of Public Safety shall jointly submit a report {of aggregate

~~data collected pursuant to subsection 1) at least twice annually to the Director of the Legislative Counsel Bureau for [distribution to each regular session of the Legislature on or before January 15 of each odd-numbered year.] transmittal to the Interim Finance Committee. The report must include:~~

1. The number of probationers participating in the pilot diversion program;

2. The reasons the probationers entered the program;

3. The number of probationers who satisfied the terms and conditions of their participation in the program; and

4. The status of the probationers who are in the program at the time the report is prepared.

Sec. 9. ~~[The Department of Corrections shall adopt any regulations necessary to carry out the provisions of this act.] (Deleted by amendment.)~~

Sec. 10. 1. There is hereby appropriated from the State General Fund to the Department of Health and Human Services for the evaluation of probation violators ~~[and offenders]~~ to determine whether they are alcoholics or drug addicts **or in need of treatment for mental illness** and to provide treatment to such probation violators ~~[and offenders]~~ who are ~~[placed in an intermediate sanction facility]~~ **remanded to the pilot diversion program** as required pursuant to section 5 of this act:

For the Fiscal Year 2011-2012 \$250,000

For the Fiscal Year 2012-2013 \$250,000

2. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2013, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2013, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2013.

Sec. 11. 1. This section and sections 1 to 9, inclusive, of this act:

(a) Become effective upon passage and approval for the purposes of adopting regulations, entering into contracts for the provision of services and taking any other preparatory actions to carry out the provisions of this act and on January 1, 2012, for all other purposes.

(b) Expire by limitation on July 1, 2015.

2. Section 10 of this act becomes effective on July 1, 2011.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 100.

Bill read third time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 49.

AN ACT relating to elections; enacting the Uniformed Military and Overseas Absentee Voters Act; repealing certain provisions governing the use of absent ballots by Armed Forces of the United States personnel and overseas citizens; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill enacts the Uniformed Military and Overseas Absentee Voters Act, which authorizes members of the Armed Forces of the United States and their spouses and dependents, and certain other electors of this State who reside outside the United States: (1) to request forms for voter registration, absent ballots and the form provided by the Federal Government for simultaneous registration and request of an absent ballot; and (2) to return voted ballots by approved electronic transmission. This bill repeals existing provisions of law governing the use and return of an absent ballot by a registered voter of this State who is a member of the Armed Forces, is an overseas citizen or resides outside the continental United States.

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

Section 1. Title 24 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 29, inclusive, of this act.

Sec. 2. *This chapter may be cited as the Uniformed Military and Overseas Absentee Voters Act.*

Sec. 3. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 4 to 10, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 4. "Covered voter" means:

1. A uniformed-service voter;
2. An overseas voter; or
3. A spouse or dependent of a uniformed-service voter.

Sec. 5. "Local elections official" means a city clerk, county clerk or registrar of voters, as applicable.

Sec. 6. "Military-overseas ballot" means:

1. A federal write-in absentee ballot described in section 103 of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff-2;

2. A ballot specifically prepared or distributed for use by a covered voter in accordance with this chapter; or

3. Any other ballot cast by a covered voter in accordance with ~~sections 11 to 29, inclusive, of this act.~~ this chapter.

Sec. 7. "Overseas voter" means a United States citizen who is outside the United States and is eligible to be a covered voter pursuant to section 13 of this act.

Sec. 8. "Residency requirement" means the requirement contained in NRS 293.485 that a person must continuously reside in this State, the county and the precinct for the purposes of qualifying to register to vote in this State.

Sec. 9. "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands or any territory or insular possession subject to the jurisdiction of the United States.

Sec. 10. "Uniformed-service voter" means an elector who is:

1. A member of the active or reserve components of the Army, Navy, Air Force, Marine Corps or Coast Guard of the United States who is on active duty;

2. A member of the Merchant Marine, the Commissioned Corps of the Public Health Service or the Commissioned Corps of the National Oceanic and Atmospheric Administration of the United States;

3. A member of the National Guard or state militia unit who is on activated status; or

4. A spouse or dependent of a person described in subsection 1, 2 or 3.

Sec. 11. The voting procedures set forth in this chapter apply to every primary election, general election ~~or~~ or special election ~~primary city election, general city election or special city election.~~ in which a candidate for federal office appears on the ballot.

Sec. 12. 1. The Secretary of State shall make available to covered voters information regarding voter registration procedures for covered voters and procedures for casting military-overseas ballots.

2. The Secretary of State shall establish a system of approved electronic transmission through which covered voters may apply for and receive documents and other information pursuant to this chapter.

3. The Secretary of State shall develop standardized absentee-voting materials, including, without limitation, privacy and transmission envelopes and their electronic equivalents, authentication materials and voting instructions, to be used with the military-overseas ballot of a covered voter authorized to vote in any jurisdiction in this State and, to the extent reasonably possible, shall do so in coordination with other states.

4. The Secretary of State shall prescribe the form and content of a declaration for use by a covered voter to swear or affirm specific representations pertaining to the covered voter's identity, eligibility to vote, status as a covered voter and timely and proper completion of a military-overseas ballot. The declaration must be based on the declaration prescribed to accompany a federal write-in absentee ballot under section 103 of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff-2, as modified to be consistent with this chapter. The Secretary of State shall ensure that a form for the execution of the

declaration, including an indication of the date of execution of the declaration, is a prominent part of all balloting materials for which the declaration is required.

Sec. 13. An overseas voter is eligible to be a covered voter if:

1. Before leaving the United States, the overseas voter was eligible to vote in this State and, except for the residency requirement, otherwise satisfies this State's voter eligibility requirements;

2. Before leaving the United States, the overseas voter would have been eligible to vote in this State had the overseas voter then been of voting age and, except for the residency requirement, otherwise satisfies this State's voter eligibility requirements; or

3. Was born outside the United States and, except for the residency requirement, otherwise satisfies the voter eligibility requirements set forth in NRS 293.485, so long as:

(a) The last place where a parent or legal guardian of the overseas voter was, or under this chapter would have been, eligible to vote before leaving the United States is within this State; and

(b) The overseas voter is not registered to vote in any other state.

Sec. 14. In registering to vote, a covered voter shall use and must be assigned to the precinct of the address of the last place of residence of the covered voter in this State or, in the case of a dependent, the address of the last place of residence in this State of the parent or legal guardian of the covered voter. If the last place of residence in this State has not been assigned a street address, the address at which the covered voter resides for purposes of this section is a description of the location at which the voter actually resides. The description must identify the location with sufficient specificity to allow the county clerk to assign the location to a precinct.

Sec. 15. 1. In addition to any other method of registering to vote set forth in chapter 293 ~~for 293C~~ of NRS, a covered voter may use a federal postcard application, as prescribed under section 101(b)(2) of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff(b)(2), or the application's electronic equivalent, to apply to register to vote.

2. A covered voter may use the declaration accompanying the federal write-in absentee ballot, as prescribed under section 103 of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff-2, to apply to register to vote simultaneously with the submission of the federal write-in absentee ballot, if the declaration is received by the ~~later of the fifth]~~ seventh day before the election, ~~for the last day for registration set forth in NRS 293.560 or 293C.527, as applicable.]~~ If the declaration is received after the ~~later of the fifth]~~ seventh day before the election, ~~for the last day for registration set forth in NRS 293.560 or 293C.527, as applicable.]~~ it must be treated as an application to register to vote for subsequent elections.

3. The Secretary of State shall ensure that the system of approved electronic transmission described in subsection ~~2~~ 2 of section 12 of this act is capable of accepting both a federal postcard application and any other approved electronic registration application sent to the appropriate local elections official. The covered voter may use the system of approved electronic transmission or any other method set forth in chapter 293 ~~for~~ 203C of NRS to register to vote.

Sec. 16. 1. A covered voter who is registered to vote in this State may apply for a military-overseas ballot by submitting a federal postcard application, as prescribed under section 101(b)(2) of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff(b)(2), or the application's electronic equivalent, pursuant to this section.

2. A covered voter who is not registered to vote in this State may use the federal postcard application or the application's electronic equivalent simultaneously to apply to register to vote pursuant to section 15 of this act and to apply for a military-overseas ballot.

3. The Secretary of State shall ensure that the system of approved electronic transmission described in subsection ~~2~~ 2 of section 12 of this act is capable of accepting the submission of both a federal postcard application and any other approved electronic military-overseas ballot application sent to the appropriate local elections official. The covered voter may use approved electronic transmission or any other method approved by the Secretary of State to apply for a military-overseas ballot.

4. A covered voter may use the declaration accompanying the federal write-in absentee ballot, as prescribed under section 103 of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff-2, as an application for a military-overseas ballot simultaneously with the submission of the federal write-in absentee ballot, if the declaration is received by the appropriate local elections official by the ~~later of the fifth~~ seventh day before the election, ~~for the last day for registration set forth in NRS 293.560 or 293C.527, as applicable.~~

5. To receive the benefits of this chapter, a covered voter must inform the appropriate local elections official that he or she is a covered voter. Methods of informing the appropriate local elections official that a person is a covered voter include, without limitation:

(a) The use of a federal postcard application or federal write-in absentee ballot;

(b) The use of an overseas address on an approved voting registration application or ballot application; and

(c) The inclusion on an application to register to vote or an application for a military-overseas ballot of other information sufficient to identify that the person is a covered voter.

6. This chapter does not prohibit a covered voter from applying for an absent ballot pursuant to the provisions of NRS 293.315 ~~for 293C.312, as applicable,~~ or voting in person.

Sec. 17. An application for a military-overseas ballot is timely if received by the ~~later of the fifth~~ seventh day before the election. ~~for the last day for registration set forth in NRS 293.560 or 293C.527, as applicable.~~ An application for a military-overseas ballot for a primary election, whether or not timely, is effective as an application for a military-overseas ballot for the general election.

Sec. 18. 1. For all covered elections for which this State has not received a waiver pursuant to section 579 of the Military and Overseas Voter Empowerment Act, 42 U.S.C. § 1973ff-1(g)(2), not later than 45 days before the election or, if the 45th day before the election is a weekend or holiday, not later than the business day preceding the 45th day, the local elections official in each jurisdiction charged with distributing military-overseas ballots and balloting materials shall transmit military-overseas ballots and balloting materials to all covered voters who by that date submit a valid application for military-overseas ballots.

2. A covered voter who requests that a military-overseas ballot and balloting materials be sent to the covered voter by approved electronic transmission may choose to receive the military-overseas ballot and balloting materials by facsimile transmission or electronic mail delivery. The local elections official in each jurisdiction shall transmit the military-overseas ballot and balloting materials to the covered voter using the means of approved electronic transmission chosen by the covered voter.

3. If an application for a military-overseas ballot from a covered voter arrives after the jurisdiction begins transmitting ballots and balloting materials to other voters, the local elections official shall transmit the military-overseas ballot and balloting materials to the covered voter not later than 2 business days after the application arrives.

Sec. 19. A military-overseas ballot must be received by the appropriate local elections official not later than the close of the polls. ~~for the covered voter must submit the military-overseas ballot for mailing, approved electronic transmission or other authorized means of delivery not later than 12:01 a.m. on the date of the election at the place where the covered voter completes the military-overseas ballot.~~

Sec. 20. ~~[A]~~ 1. Except as otherwise provided in subsection 2, a covered voter may use the federal write-in absentee ballot, in accordance with section 103 of the Uniformed and Overseas Citizens Absentee voting Act, 42 U.S.C.

§ 1973ff-2, to vote for all offices and ballot measures in an election.

2. If the covered voter indicates on the federal write-in absentee ballot that he or she is residing overseas indefinitely, the covered voter may only use the federal write-in absentee ballot to vote for federal offices.

Sec. 21. ~~[1. A valid military-overseas ballot cast in accordance with section 19 of this act must be counted if it is delivered by the end of business on the business day before the latest deadline for completing the canvass completed pursuant to NRS 293.387 or 293C.387, as applicable, to~~

~~the address that the appropriate state or local elections official has specified.~~

~~2. If, at the time of completing a military overseas ballot and balloting materials, the covered voter has affirmed under penalty of perjury, pursuant to section 22 of this act, that the ballot was timely submitted, the military overseas ballot may not be rejected on the basis that it has a late postmark, an unreadable postmark or no postmark. (Deleted by amendment.)~~

Sec. 22. Each military-overseas ballot must include or be accompanied by a declaration signed by the covered voter declaring that a material misstatement of fact in completing the document may be grounds for a conviction of perjury under the laws of the United States or this State.

Sec. 23. The Secretary of State, in coordination with local elections officials, shall establish and maintain an electronic free-access system ~~by~~ which uses the telephone, electronic mail or the Internet so that a covered voter may determine [by telephone, electronic mail or Internet] whether:

1. The covered voter's federal postcard application or other registration or military-overseas ballot application has been received and accepted; and

2. The covered voter's military-overseas ballot has been received and the current status of the military-overseas ballot.

Sec. 24. 1. The local elections official shall request an electronic-mail address from each covered voter who registers to vote. An electronic-mail address provided by a covered voter is confidential and is not a public book or record within the meaning of NRS 239.010. A local elections official may not release a covered voter's electronic-mail address to a third party. A local elections official may use the address only to communicate with the covered voter about the voting process, including transmitting military-overseas ballots and election materials if the covered voter has requested electronic transmission, and verifying the covered voter's mailing address and physical location, as needed. A request for an electronic-mail address under this ~~section~~ subsection must describe the purpose for which the electronic-mail address will be used and state that any other use or disclosure is prohibited.

2. A covered voter who provides an electronic-mail address may request that his or her application for a military-overseas ballot be considered a standing request for electronic delivery of a ballot for all elections held through December 31 of the year following the calendar year of the date of the application or another shorter period the covered voter specifies. The local elections official shall provide a military-overseas ballot to a covered voter who makes a request for each election to which the request is applicable. A covered voter who is entitled to receive a military-overseas ballot for a primary election under this subsection is also entitled to receive a military-overseas ballot for the general election.

Sec. 25. ~~{1. Not later than 100 days before a regularly scheduled election to which this chapter applies, and as soon as practicable in the case~~

~~of a special election, a local elections official in each jurisdiction charged with printing and distributing ballots and balloting material shall prepare an election notice for that jurisdiction, to be used in conjunction with the federal write in absentee ballot described in section 20 of this act. The election notice must contain a list of all of the ballot measures and federal, state and local offices that, as of that date, the local elections official expects to be on the ballot on the date of the election. The notice also must contain specific instructions for how a covered voter is to indicate on the federal write in absentee ballot the covered voter's choice for each office to be filled and for each ballot measure to be contested.~~

~~2. A covered voter may request a copy of an election notice. The local elections official charged with preparing the election notice shall send the notice to the covered voter by facsimile, electronic mail or regular mail, as the covered voter requests.~~

~~3. As soon as ballot styles are certified, and not later than the date that absent ballots are required to be prepared and ready for distribution pursuant to NRS 293.309 or 293C.305, as applicable, to voters who reside outside the State, the local elections official charged with preparing the election notice shall update the notice with the certified candidates for each office and ballot measure question and make the updated notice publicly available.~~

~~4. A local elections official who establishes and maintains an Internet website shall make updated versions of his or her election notices regularly available on the website.~~

Sec. 26. ~~{1.}~~ If a covered voter's mistake or omission in the completion of a document under this chapter does not prevent determining whether a covered voter is eligible to vote, the mistake or omission does not invalidate the document. Failure to satisfy a nonessential requirement, including, without limitation, using paper or envelopes of a specified size or weight, does not invalidate any document submitted under this chapter. In any write-in ballot authorized by this chapter, ~~for in any vote for a write in candidate on a regular ballot,~~ if the intention of the covered voter is discernable under this State's uniform definition of what constitutes a vote, as required by the Help America Vote Act of 2002, 42 U.S.C. § 15481(a)(6), an abbreviation, misspelling or other minor variation in the form of the name of a candidate or a political party must be accepted as a valid vote.

~~2. Notarization is not required for the execution of any document under this chapter. An authentication, other than the declaration specified in section 22 of this act or the declaration on the federal postcard application and federal write in absentee ballot, is not required for execution of a document under this chapter. The declaration and any information in the declaration may be compared against information on file to ascertain the validity of the document.~~

Sec. 27. A court may issue an injunction or grant other equitable relief appropriate to ensure substantial compliance with, or enforce, this chapter on application by:

- 1. A covered voter alleging a grievance under this chapter; or**
- 2. The Secretary of State or a local elections official.**

Sec. 28. In applying and construing this chapter, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that have enacted the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. § 1973ff et seq.

Sec. 29. This chapter modifies, limits and supersedes the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 et seq., but does not modify, limit or supersede Section 101(c) of that Act, 15 U.S.C. § 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that Act, 15 U.S.C. § 7003(b).

Sec. 30. NRS 293.250 is hereby amended to read as follows:

293.250 1. ~~{The}~~ Except as otherwise provided in sections ~~{44}~~ 2 to 29, inclusive, of this act, the Secretary of State shall, in a manner consistent with the election laws of this State, prescribe:

(a) The form of all ballots, absent ballots, diagrams, sample ballots, certificates, notices, declarations, applications to register to vote, lists, applications, registers, rosters, statements and abstracts required by the election laws of this State.

(b) The procedure to be followed when a computer is used to register voters and to keep records of registration.

2. ~~{The}~~ Except as otherwise provided in sections ~~{44}~~ 2 to 29, inclusive, of this act, the Secretary of State shall prescribe with respect to the matter to be printed on every kind of ballot:

(a) The placement and listing of all offices, candidates and measures upon which voting is statewide, which must be uniform throughout the State.

(b) The listing of all other candidates required to file with the Secretary of State, and the order of listing all offices, candidates and measures upon which voting is not statewide, from which each county or city clerk shall prepare appropriate ballot forms for use in any election in his or her county.

3. The Secretary of State shall place the condensation of each proposed constitutional amendment or statewide measure near the spaces or devices for indicating the voter's choice.

4. The fiscal note for, explanation of, arguments for and against, and rebuttals to such arguments of each proposed constitutional amendment or statewide measure must be included on all sample ballots.

5. The condensations and explanations for constitutional amendments and statewide measures proposed by initiative or referendum must be prepared by the Secretary of State, upon consultation with the Attorney General. The arguments and rebuttals for or against constitutional amendments and statewide measures proposed by initiative or referendum must be prepared in the manner set forth in NRS 293.252. The fiscal notes

for constitutional amendments and statewide measures proposed by initiative or referendum must be prepared by the Secretary of State, upon consultation with the Fiscal Analysis Division of the Legislative Counsel Bureau. The condensations, explanations, arguments, rebuttals and fiscal notes must be in easily understood language and of reasonable length, and whenever feasible must be completed by August 1 of the year in which the general election is to be held.

6. The names of candidates for township and legislative or special district offices must be printed only on the ballots furnished to voters of that township or district.

7. A county clerk:

(a) May divide paper ballots into two sheets in a manner which provides a clear understanding and grouping of all measures and candidates.

(b) Shall prescribe the color or colors of the ballots and voting receipts used in any election which the clerk is required to conduct.

Sec. 31. NRS 293.270 is hereby amended to read as follows:

293.270 1. Voting at any election regulated by this title must be on printed ballots or by any other system approved by the Secretary of State or specifically authorized by law.

2. Except as otherwise provided in ~~{NRS 293.315,}~~ **sections ~~{11}~~ 2 to 29, inclusive, of this act**, voting must be only upon candidates whose names appear upon the ballot prepared by the election officers, and no person may write in the name of an additional candidate for any office.

Sec. 32. NRS 293.310 is hereby amended to read as follows:

293.310 1. Except as otherwise provided in NRS 293.330 ~~{,}~~ **and sections ~~{11}~~ 2 to 29, inclusive, of this act**, a registered voter who requests and receives an absent voter's ballot may vote only by absent ballot at the election for which the absent ballot was issued.

2. If a registered voter has requested an absent ballot and the ballot has been mailed or issued, the county clerk shall notify the precinct or district election board that the registered voter has requested an absent ballot.

Sec. 33. ~~{NRS 293.317 is hereby amended to read as follows:~~

~~293.317 [Absent] Except as otherwise provided in sections 19 and 20 of this act, absent ballots [including special absent ballots,] received by the county or city clerk after the polls are closed on the day of election are invalid. (Deleted by amendment.)~~

Sec. 34. NRS 293.320 is hereby amended to read as follows:

293.320 ~~{1.}~~ The county clerk shall determine before issuing an absent ballot that the person making application is a registered voter in the proper county.

~~{2. Armed Forces personnel and overseas citizens who are not registered to vote and are applying for absent ballots must complete:~~

~~(a) The application to register to vote required by NRS 293.517 for registration;~~

(b) ~~The form provided by the Federal Government for registration and request of an absent ballot, pursuant to the provisions of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq.; or~~

(c) ~~A special absent ballot used only for purposes of registering the person to vote,~~

~~↪ before receiving an absent ballot.~~

~~3. If the county clerk rejects an application submitted pursuant to subsection 2, the county clerk shall inform the applicant of the reason for the rejection.]~~

Sec. 35. NRS 293.323 is hereby amended to read as follows:

293.323 1. Except as otherwise provided in subsection 2 and ~~[NRS 293.3157,]~~ **sections ~~##~~ 2 to 29, inclusive, of this act,** if the request for an absent ballot is made by mail or facsimile machine, the county clerk shall, as soon as the official absent ballot for the precinct or district in which the applicant resides has been printed, send to the voter by first-class mail, or by any class of mail if the Official Election Mail logo or an equivalent logo or mark created by the United States Postal Service is properly placed on the official absent ballot:

- (a) An absent ballot;
- (b) A return envelope;
- (c) An envelope or similar device into which the ballot is inserted to ensure its secrecy;
- (d) An identification envelope, if applicable ; ~~[pursuant to NRS 293.3157;]~~ and
- (e) Instructions.

2. If the county clerk fails to send an absent ballot pursuant to subsection 1 to a voter who resides within the continental United States, the county clerk may use a facsimile machine to send an absent ballot and instructions to the voter. The voter may mail the absent ballot to the county clerk or submit the absent ballot by facsimile machine.

3. The return envelope sent pursuant to subsection 1 must include postage prepaid by first-class mail if the absent voter is within the boundaries of the United States, its territories or possessions or on a military base.

4. Nothing may be enclosed or sent with an absent ballot except as required by subsection 1 or 2 and ~~[NRS 293.3157.]~~ **sections ~~##~~ 2 to 29, inclusive, of this act.**

5. Before depositing a ballot in the mail or sending a ballot by facsimile machine, the county clerk shall record the date the ballot is issued, the name of the registered voter to whom it is issued, the registered voter's precinct or district, and political affiliation, if any, the number of the ballot and any remarks the county clerk finds appropriate.

6. The Secretary of State shall adopt regulations to carry out the provisions of subsection 2.

Sec. 36. NRS 293.330 is hereby amended to read as follows:

293.330 1. Except as otherwise provided in ~~[NRS 293.3157 and]~~ subsection 2 of NRS 293.323 **and sections ~~##~~ 2 to 29, inclusive, of this act**, and any regulations adopted pursuant thereto, when an absent voter receives an absent ballot, the absent voter must mark and fold it in accordance with the instructions, deposit it in the return envelope, seal the envelope, affix his or her signature on the back of the envelope in the space provided therefor and mail the return envelope.

2. Except as otherwise provided in subsection 3, if an absent voter who has requested a ballot by mail applies to vote the ballot in person at:

(a) The office of the county clerk, the absent voter must mark the ballot, seal it in the return envelope and affix his or her signature in the same manner as provided in subsection 1, and deliver the envelope to the clerk.

(b) A polling place, including, without limitation, a polling place for early voting, the absent voter must surrender the absent ballot and provide satisfactory identification before being issued a ballot to vote at the polling place. A person who receives a surrendered absent ballot shall mark it "Cancelled."

3. If an absent voter who has requested a ballot by mail applies to vote in person at the office of the county clerk or a polling place, including, without limitation, a polling place for early voting, and the voter does not have the absent ballot to deliver or surrender, the voter must be issued a ballot to vote if the voter:

(a) Provides satisfactory identification;

(b) Is a registered voter who is otherwise entitled to vote; and

(c) Signs an affirmation under penalty of perjury on a form prepared by the Secretary of State declaring that the voter has not voted during the election.

4. Except as otherwise provided in NRS 293.316, it is unlawful for any person to return an absent ballot other than the voter who requested the absent ballot or, at the request of the voter, a member of the voter's family. A person who returns an absent ballot and who is a member of the family of the voter who requested the absent ballot shall, under penalty of perjury, indicate on a form prescribed by the county clerk that the person is a member of the family of the voter who requested the absent ballot and that the voter requested that the person return the absent ballot. A person who violates the provisions of this subsection is guilty of a category E felony and shall be punished as provided in NRS 193.130.

Sec. 37. NRS 293.517 is hereby amended to read as follows:

293.517 1. Any elector residing within the county may register:

(a) Except as otherwise provided in NRS 293.560 and 293C.527, by appearing before the county clerk, a field registrar or a voter registration agency, completing the application to register to vote, giving true and satisfactory answers to all questions relevant to his or her identity and right to vote, and providing proof of residence and identity;

(b) By completing and mailing or personally delivering to the county clerk an application to register to vote pursuant to the provisions of NRS 293.5235;

(c) Pursuant to the provisions of NRS ~~[293.501 or]~~ 293.524 ~~[:]~~ **or sections ~~111~~ 2 to 29, inclusive, of this act;** or

(d) At his or her residence with the assistance of a field registrar pursuant to NRS 293.5237.

➡ The county clerk shall require a person to submit official identification as proof of residence and identity, such as a driver's license or other official document, before registering the person. If the applicant registers to vote pursuant to this subsection and fails to provide proof of residence and identity, the applicant must provide proof of residence and identity before casting a ballot in person or by mail or after casting a provisional ballot pursuant to NRS 293.3081 or 293.3083. For the purposes of this subsection, a voter registration card issued pursuant to subsection 6 does not provide proof of the residence or identity of a person.

2. The application to register to vote must be signed and verified under penalty of perjury by the elector registering.

3. Each elector who is or has been married must be registered under his or her own given or first name, and not under the given or first name or initials of his or her spouse.

4. An elector who is registered and changes his or her name must complete a new application to register to vote. The elector may obtain a new application:

(a) At the office of the county clerk or field registrar;

(b) By submitting an application to register to vote pursuant to the provisions of NRS 293.5235;

(c) By submitting a written statement to the county clerk requesting the county clerk to mail an application to register to vote; or

(d) At any voter registration agency.

➡ If the elector fails to register under his or her new name, the elector may be challenged pursuant to the provisions of NRS 293.303 or 293C.292 and may be required to furnish proof of identity and subsequent change of name.

5. Except as otherwise provided in subsection 7, an elector who registers to vote pursuant to paragraph (a) of subsection 1 shall be deemed to be registered upon the completion of an application to register to vote.

6. After the county clerk determines that the application to register to vote of a person is complete and that **, except as otherwise provided in section 13 of this act,** the person is eligible to vote pursuant to NRS 293.485, the county clerk shall issue a voter registration card to the voter which contains:

(a) The name, address, political affiliation and precinct number of the voter;

(b) The date of issuance; and

(c) The signature of the county clerk.

7. If an elector submits an application to register to vote or an affidavit described in paragraph (c) of subsection 1 of NRS 293.507 that contains any handwritten additions, erasures or interlineations, the county clerk may object to the application to register to vote if the county clerk believes that because of such handwritten additions, erasures or interlineations, the application to register to vote of the elector is incomplete or that, ***except as otherwise provided in section 13 of this act***, the elector is not eligible to vote pursuant to NRS 293.485. If the county clerk objects pursuant to this subsection, he or she shall immediately notify the elector and the district attorney of the county. Not later than 5 business days after the district attorney receives such notification, the district attorney shall advise the county clerk as to whether:

(a) The application to register to vote of the elector is complete and, ***except as otherwise provided in section 13 of this act***, the elector is eligible to vote pursuant to NRS 293.485; and

(b) The county clerk should proceed to process the application to register to vote.

➡ If the District Attorney advises the county clerk to process the application to register to vote, the county clerk shall immediately issue a voter registration card to the applicant pursuant to subsection 6.

Sec. 38. NRS 293.5235 is hereby amended to read as follows:

293.5235 1. Except as otherwise provided in NRS 293.502 ~~and~~ ***and sections ~~111~~ 2 to 29, inclusive, of this act***, a person may register to vote by mailing an application to register to vote to the county clerk of the county in which the person resides. The county clerk shall, upon request, mail an application to register to vote to an applicant. The county clerk shall make the applications available at various public places in the county. An application to register to vote may be used to correct information in the registrar of voters' register.

2. An application to register to vote which is mailed to an applicant by the county clerk or made available to the public at various locations or voter registration agencies in the county may be returned to the county clerk by mail or in person. For the purposes of this section, an application which is personally delivered to the county clerk shall be deemed to have been returned by mail.

3. The applicant must complete the application, including, without limitation, checking the boxes described in paragraphs (b) and (c) of subsection 10 and signing the application.

4. The county clerk shall, upon receipt of an application, determine whether the application is complete.

5. If the county clerk determines that the application is complete, he or she shall, within 10 days after receiving the application, mail to the applicant:

(a) A notice that the applicant is registered to vote and a voter registration card as required by subsection 6 of NRS 293.517; or

(b) A notice that the registrar of voters' register has been corrected to reflect any changes indicated on the application.

6. Except as otherwise provided in subsection 5 of NRS 293.518, if the county clerk determines that the application is not complete, the county clerk shall, as soon as possible, mail a notice to the applicant that additional information is required to complete the application. If the applicant provides the information requested by the county clerk within 15 days after the county clerk mails the notice, the county clerk shall, within 10 days after receiving the information, mail to the applicant:

(a) A notice that the applicant is registered to vote and a voter registration card as required by subsection 6 of NRS 293.517; or

(b) A notice that the registrar of voters' register has been corrected to reflect any changes indicated on the application.

➤ If the applicant does not provide the additional information within the prescribed period, the application is void.

7. The applicant shall be deemed to be registered or to have corrected the information in the register on the date the application is postmarked or received by the county clerk, whichever is earlier.

8. If the applicant fails to check the box described in paragraph (b) of subsection 10, the application shall not be considered invalid and the county clerk shall provide a means for the applicant to correct the omission at the time the applicant appears to vote in person at the assigned polling place.

9. The Secretary of State shall prescribe the form for an application to register to vote by mail which must be used to register to vote by mail in this State.

10. The application to register to vote by mail must include:

(a) A notice in at least 10-point type which states:

NOTICE: You are urged to return your application to register to vote to the County Clerk in person or by mail. If you choose to give your completed application to another person to return to the County Clerk on your behalf, and the person fails to deliver the application to the County Clerk, you will not be registered to vote. Please retain the duplicate copy or receipt from your application to register to vote.

(b) The question, "Are you a citizen of the United States?" and boxes for the applicant to check to indicate whether or not the applicant is a citizen of the United States.

(c) The question, "Will you be at least 18 years of age on or before election day?" and boxes for the applicant to check to indicate whether or not the applicant will be at least 18 years of age or older on election day.

(d) A statement instructing the applicant not to complete the application if the applicant checked "no" in response to the question set forth in paragraph (b) or (c).

(e) A statement informing the applicant that if the application is submitted by mail and the applicant is registering to vote for the first time, the applicant

must submit the information set forth in paragraph (a) of subsection 2 of NRS 293.2725 to avoid the requirements of subsection 1 of NRS 293.2725 upon voting for the first time.

11. Except as otherwise provided in subsection 5 of NRS 293.518, the county clerk shall not register a person to vote pursuant to this section unless that person has provided all of the information required by the application.

12. The county clerk shall mail, by postcard, the notices required pursuant to subsections 5 and 6. If the postcard is returned to the county clerk by the United States Postal Service because the address is fictitious or the person does not live at that address, the county clerk shall attempt to determine whether the person's current residence is other than that indicated on the application to register to vote in the manner set forth in NRS 293.530.

13. A person who, by mail, registers to vote pursuant to this section may be assisted in completing the application to register to vote by any other person. The application must include the mailing address and signature of the person who assisted the applicant. The failure to provide the information required by this subsection will not result in the application being deemed incomplete.

14. An application to register to vote must be made available to all persons, regardless of political party affiliation.

15. An application must not be altered or otherwise defaced after the applicant has completed and signed it. An application must be mailed or delivered in person to the office of the county clerk within 10 days after it is completed.

16. A person who willfully violates any of the provisions of subsection 13, 14 or 15 is guilty of a category E felony and shall be punished as provided in NRS 193.130.

17. The Secretary of State shall adopt regulations to carry out the provisions of this section.

Sec. 39. NRS 293.560 is hereby amended to read as follows:

293.560 1. Except as otherwise provided in NRS 293.502 ~~§~~ **and sections 15 and 16 of this act**, registration must close at 9 p.m. on the third Tuesday preceding any primary or general election and at 9 p.m. on the third Saturday preceding any recall or special election, except that if a recall or special election is held on the same day as a primary or general election, registration must close at 9 p.m. on the third Tuesday preceding the day of the elections.

2. The office of the county clerk must be open from 9 a.m. to 5 p.m. and from 7 p.m. to 9 p.m., including Saturdays, during the last days before the close of registration, according to the following schedule:

(a) In a county whose population is less than 100,000, the office of the county clerk must be open during the last day before registration closes.

(b) In all other counties, the office of the county clerk must be open during the last 5 days before registration closes.

3. Except for a special election held pursuant to chapter 306 or 350 of NRS:

(a) The county clerk of each county shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the county indicating:

(1) The day that registration will be closed; and

(2) If the county clerk has designated a county facility pursuant to NRS 293.5035, the location of that facility.

➔ If no such newspaper is published in the county, the publication may be made in a newspaper of general circulation published in the nearest county in this State.

(b) The notice must be published once each week for 4 consecutive weeks next preceding the close of registration for any election.

4. The offices of the county clerk, a county facility designated pursuant to NRS 293.5035 and other ex officio registrars may remain open on the last Friday in October in each even-numbered year.

5. For the period beginning on the fifth Sunday preceding any primary or general election and ending on the third Tuesday preceding any primary or general election, an elector may register to vote only by appearing in person at the office of the county clerk or, if open, a county facility designated pursuant to NRS 293.5035.

6. A county facility designated pursuant to NRS 293.5035 may be open during the periods described in this section for such hours of operation as the county clerk may determine, as set forth in subsection 3 of NRS 293.5035.

Sec. 40. NRS 293C.265 is hereby amended to read as follows:

293C.265 1. Except as otherwise provided in subsection 2 and in NRS 293.2725 and 293.3083, a person who registered to vote pursuant to the provisions of NRS 293.5235 shall, for the first city election in which the person votes at which that registration is valid, vote in person unless he or she has previously voted in the county in which he or she is registered to vote.

2. The provisions of subsection 1 do not apply to a person who:

(a) Is entitled to vote in the manner prescribed in NRS 293C.342 to 293C.352, inclusive;

(b) Is entitled to vote an absent ballot pursuant to federal law or NRS 293C.317 or 293C.318 ~~to~~ **or sections ~~144~~ 2 to 29, inclusive, of this act;**

(c) Is disabled;

(d) Submits or has previously submitted a written request for an absent ballot that is signed by the registered voter before a notary public or other person authorized to administer an oath; or

(e) Requests an absent ballot in person at the office of the city clerk.

Sec. 41. NRS 293C.320 is hereby amended to read as follows:

293C.320 ~~[1.]~~ The city clerk shall determine before issuing an absent ballot that the person making application is a registered voter in the proper city.

~~[2.— Armed Forces personnel and overseas citizens who are not registered to vote and are applying for absent ballots must complete:~~

~~(a) The application to register to vote required by NRS 293.517 for registration;~~

~~(b) The form provided by the Federal Government for registration and request of an absent ballot, pursuant to the provisions of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq.; or~~

~~(c) A special absent ballot used only for purposes of registering the person to vote;~~

~~↪ before receiving an absent ballot.]~~

Sec. 42. NRS 293C.322 is hereby amended to read as follows:

293C.322 1. Except as otherwise provided in subsection 2 and ~~[NRS 293C.315,]~~ **sections ~~[11]~~ 2 to 29, inclusive, of this act,** if the request for an absent ballot is made by mail or facsimile machine, the city clerk shall, as soon as the official absent ballot for the precinct or district in which the applicant resides has been printed, send to the voter by first-class mail, or by any class of mail if the Official Election Mail logo or an equivalent logo or mark created by the United States Postal Service is properly placed on the official absent ballot:

(a) An absent ballot;

(b) A return envelope;

(c) An envelope or similar device into which the ballot is inserted to ensure its secrecy; **and**

~~(d) [An identification envelope, if applicable pursuant to NRS 293C.315; and~~

~~(e)]~~ Instructions.

2. If the city clerk fails to send an absent ballot pursuant to subsection 1 to a voter who resides within the continental United States, the city clerk may use a facsimile machine to send an absent ballot and instructions to the voter. The voter may mail the absent ballot to the city clerk or submit the absent ballot by facsimile machine.

3. The return envelope sent pursuant to subsection 1 must include postage prepaid by first-class mail if the absent voter is within the boundaries of the United States, its territories or possessions or on a military base.

4. Nothing may be enclosed or sent with an absent ballot except as required by subsection 1 or 2. ~~[and NRS 293C.315.]~~

5. Before depositing a ballot with the United States Postal Service or sending a ballot by facsimile machine, the city clerk shall record the date the ballot is issued, the name of the registered voter to whom it is issued, the registered voter's precinct or district, the number of the ballot and any remarks the city clerk finds appropriate.

6. The Secretary of State shall adopt regulations to carry out the provisions of subsection 2.

Sec. 43. NRS 293C.330 is hereby amended to read as follows:

293C.330 1. Except as otherwise provided in ~~[NRS 293C.315 and]~~ subsection 2 of NRS 293C.322 **and sections ~~111~~ 2 to 29, inclusive, of this act**, and any regulations adopted pursuant thereto, when an absent voter receives an absent ballot, the absent voter must mark and fold it in accordance with the instructions, deposit it in the return envelope, seal the envelope, affix his or her signature on the back of the envelope in the space provided therefor and mail the return envelope.

2. Except as otherwise provided in subsection 3, if an absent voter who has requested a ballot by mail applies to vote the ballot in person at:

(a) The office of the city clerk, the absent voter must mark the ballot, seal it in the return envelope and affix his or her signature in the same manner as provided in subsection 1, and deliver the envelope to the city clerk.

(b) A polling place, including, without limitation, a polling place for early voting, the absent voter must surrender the absent ballot and provide satisfactory identification before being issued a ballot to vote at the polling place. A person who receives a surrendered absent ballot shall mark it "Cancelled."

3. If an absent voter who has requested a ballot by mail applies to vote in person at the office of the city clerk or a polling place, including, without limitation, a polling place for early voting, and the voter does not have the absent ballot to deliver or surrender, the voter must be issued a ballot to vote if the voter:

(a) Provides satisfactory identification;

(b) Is a registered voter who is otherwise entitled to vote; and

(c) Signs an affirmation under penalty of perjury on a form prepared by the Secretary of State declaring that the voter has not voted during the election.

4. Except as otherwise provided in NRS 293C.317, it is unlawful for any person to return an absent ballot other than the voter who requested the absent ballot or, at the request of the voter, a member of the voter's family. A person who returns an absent ballot and who is a member of the family of the voter who requested the absent ballot shall, under penalty of perjury, indicate on a form prescribed by the city clerk that the person is a member of the family of the voter who requested the absent ballot and that the voter requested that the person return the absent ballot. A person who violates the provisions of this subsection is guilty of a category E felony and shall be punished as provided in NRS 193.130.

Sec. 44. NRS 293C.527 is hereby amended to read as follows:

293C.527 1. Except as otherwise provided in NRS 293.502 ~~11~~ **and sections 15 and 16 of this act**, registration must close at 9 p.m. on the third Tuesday preceding any primary city election or general city election and at 9 p.m. on the third Saturday preceding any recall or special election, except

that if a recall or special election is held on the same day as a primary city election or general city election, registration must close at 9 p.m. on the third Tuesday preceding the day of the elections.

2. The office of the city clerk must be open from 9 a.m. to 5 p.m. and from 7 p.m. to 9 p.m., including Saturdays, during the last days before the close of registration before a primary city election or general city election, according to the following schedule:

(a) In a city whose population is less than 25,000, the office of the city clerk must be open during the last 3 days before registration closes.

(b) In a city whose population is 25,000 or more, the office of the city clerk must be open during the last 5 days before registration closes.

3. Except for a special election held pursuant to chapter 306 or 350 of NRS:

(a) The city clerk of each city shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the city indicating:

(1) The day that registration will be closed; and

(2) If the city clerk has designated a municipal facility pursuant to NRS 293C.520, the location of that facility.

➡ If no newspaper is of general circulation in that city, the publication may be made in a newspaper of general circulation in the nearest city in this State.

(b) The notice must be published once each week for 4 consecutive weeks next preceding the close of registration for any election.

4. For the period beginning on the fifth Sunday preceding any primary city election or general city election and ending on the third Tuesday preceding any primary city election or general city election, an elector may register to vote only by appearing in person at the office of the city clerk or, if open, a municipal facility designated pursuant to NRS 293C.520.

5. A municipal facility designated pursuant to NRS 293C.520 may be open during the periods described in this section for such hours of operation as the city clerk may determine, as set forth in subsection 3 of NRS 293C.520.

Sec. 45. NRS 293.106, 293.3155, 293.3157, 293.501 and 293C.315 are hereby repealed.

TEXT OF REPEALED SECTIONS

293.106 “Special absent ballot” defined. “Special absent ballot” means the absent ballot provided by the Federal Government pursuant to 42 U.S.C. § 1973ff et seq. to Armed Forces personnel or overseas citizens.

293.3155 Use of special absent ballot by Armed Forces personnel and overseas citizens. Notwithstanding any other provisions of this title:

1. Any registered voter of this State who is Armed Forces personnel or an overseas citizen may use a special absent ballot for a primary, general or special election.

2. The special absent ballot may be used for the offices of President and Vice President of the United States, United States Senator and Representative in Congress, and for any state or local offices and ballot questions for which the registered voter is entitled to cast a ballot. The ballot must allow the registered voter to vote by writing in his or her choice of a political party for each office or the name of a candidate whose name appears on the ballot for each office.

3. The special absent ballot may be voted by completing the ballot according to the instructions and returning it to the county clerk by:

- (a) Mail, if it can be returned in a timely manner; or
- (b) Approved electronic transmission.

4. The special absent ballot must not be counted if:

(a) It is submitted from any location within the continental United States by an overseas citizen; or

(b) The county clerk receives the regular absent ballot from the voter on or before the date of the primary, general or special election.

5. As used in this section, "regular absent ballot" means the absent ballot prepared by the county clerk pursuant to NRS 293.309.

293.3157 Registered voter residing outside continental United States may request absent ballot by approved electronic transmission; return of absent ballot; oath of registered voter; regulations.

1. Any registered voter of this State who resides outside the continental United States may use approved electronic transmission to request an absent ballot. Such a request must be received by the county clerk not later than 5 p.m. on the seventh day before the primary, general or special election. The registered voter shall state on the request whether the registered voter:

(a) Requests the county clerk to send the absent ballot by mail or approved electronic transmission; and

(b) Will return the absent ballot to the county clerk by mail or approved electronic transmission.

2. If the registered voter indicates pursuant to subsection 1 that he or she will submit the absent ballot by mail, the registered voter shall include with the completed absent ballot the identification envelope provided by the county clerk. The identification envelope must be in the form prescribed by the Secretary of State and include, without limitation:

(a) A declaration, under penalty of perjury, stating that the registered voter resides within the precinct in which he or she is voting and is the person whose name appears on the envelope;

(b) The signature of the registered voter;

(c) The address that the registered voter provided on the application for voter registration; and

(d) A statement that the registered voter has not applied and will not apply to any other county clerk for an absent ballot.

3. If the registered voter indicates pursuant to subsection 1 that he or she will submit the absent ballot by approved electronic transmission, the registered voter shall include with the completed absent ballot the following:

OATH OF VOTER

I, _____, acknowledge that by returning my voted ballot by approved electronic transmission, I have waived my right to have my ballot kept secret. Nevertheless, I understand that, as with any absent voter, my signature, whether on this oath of voter form or my identification envelope, will be permanently separated from my voted ballot to maintain its secrecy at the outset of the tabulation process and thereafter.

My residential address is _____.

(Street Address)(City) (ZIP Code)

My current mailing address is _____.

My e-mail address is _____.

My facsimile transmission number is (if applicable) _____.

I am a resident of _____ County, State of Nevada, and I have not applied, nor do I intend to apply, for an absentee ballot from any other jurisdiction for the same election.

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct.

Dated this _____ day of _____, 20____.

(Signed)

Voter (power of attorney cannot be accepted)

YOUR BALLOT CANNOT BE COUNTED UNLESS YOU SIGN THE ABOVE OATH AND INCLUDE IT WITH YOUR BALLOT, ALL OF WHICH ARE RETURNED BY APPROVED ELECTRONIC TRANSMISSION.

4. The county clerk, if so requested pursuant to subsection 1, shall use approved electronic transmission to send an absent ballot and the oath, as required pursuant to subsection 3, to the registered voter.

5. Each county clerk shall, insofar as is practicable, ensure the secrecy of absent ballots that are submitted by approved electronic transmission.

6. The Secretary of State shall adopt regulations to carry out the provisions of this section.

293.501 Use of form provided by Federal Government pursuant to federal Uniformed and Overseas Citizens Absentee Voting Act. Notwithstanding any other provisions of this title:

1. Armed Forces personnel and overseas citizens may use the form provided by the Federal Government for registration and request of an absent

ballot pursuant to the provisions of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq., to register to vote in this State.

2. An elector referred to in subsection 1 may complete the form and return it by:

- (a) Mail, if it can be returned in a timely manner; or
- (b) Approved electronic transmission.

3. If an elector registers to vote pursuant to the provisions of this section and returns the form provided by the Federal Government for registration and request of an absent ballot by:

(a) Mail, the elector shall be deemed to be registered as of the date that the form or the envelope containing the form is postmarked.

(b) Approved electronic transmission, the elector shall be deemed to be registered as of the date on which the elector initiates the approved electronic transmission.

293C.315 Registered voter residing outside continental United States may request absent ballot by approved electronic transmission; return of absent ballot; oath of registered voter; regulations.

1. Any registered voter of this State who resides outside the continental United States may use approved electronic transmission to request an absent ballot. Such a request must be received by the city clerk not later than 5 p.m. on the seventh day before the primary, general or special election. The registered voter shall state on the request whether the voter:

(a) Requests the city clerk to send the absent ballot by mail or approved electronic transmission; and

(b) Will return the absent ballot to the city clerk by mail or approved electronic transmission.

2. If the registered voter indicates pursuant to subsection 1 that he or she will submit the absent ballot by mail, the voter shall include with the completed absent ballot the identification envelope provided by the city clerk. The identification envelope must be in the form prescribed by the Secretary of State and include, without limitation:

(a) A declaration, under penalty of perjury, stating that the registered voter resides within the precinct or district in which he or she is voting and is the person whose name appears on the envelope;

(b) The signature of the registered voter;

(c) The address that the registered voter provided on the application for voter registration; and

(d) A statement that the voter has not applied and will not apply to any other city clerk for an absent ballot.

3. If the registered voter indicates pursuant to subsection 1 that he or she will submit the absent ballot by approved electronic transmission, the voter shall include with the completed absent ballot the following:

OATH OF VOTER

I, _____, acknowledge that by returning my voted ballot by approved electronic transmission, I have waived my right to have my ballot kept secret. Nevertheless, I understand that, as with any absent voter, my signature, whether on this oath of voter form or my identification envelope, will be permanently separated from my voted ballot to maintain its secrecy at the outset of the tabulation process and thereafter.

My residential address is

(Street Address)(City) (ZIP Code)

My current mailing address is

My e-mail address is _____

My facsimile transmission number is (if applicable) _____

I am a resident of _____ County, State of Nevada, and I have not applied, nor do I intend to apply, for an absentee ballot from any other jurisdiction for the same election.

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct.

Dated this _____ day of _____, 20____.

(Signed)

voter (power of attorney cannot be accepted)

YOUR BALLOT CANNOT BE COUNTED UNLESS YOU SIGN THE ABOVE OATH AND INCLUDE IT WITH YOUR BALLOT, ALL OF WHICH ARE RETURNED BY APPROVED ELECTRONIC TRANSMISSION.

4. The city clerk, if so requested pursuant to subsection 1, shall use approved electronic transmission to send an absent ballot and the oath, as required pursuant to subsection 3, to the registered voter.

5. Each city clerk shall, insofar as is practicable, ensure the secrecy of absent ballots that are submitted by approved electronic transmission.

6. The Secretary of State shall adopt regulations to carry out the provisions of this section.

Assemblywoman Flores moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 115.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 130.

AN ACT relating to water; revising provisions governing the approval or rejection by the State Engineer of an application to appropriate water for beneficial use; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, any person who wishes to appropriate water for beneficial use in Nevada, or change the place of diversion, manner of use or place of use of water already appropriated, is required to first apply to the State Engineer for a permit to do so. (NRS 533.325) Any interested person may file a written protest against the granting of such a permit with the State Engineer. (NRS 533.365) For most applications, the State Engineer is required to approve or reject the application within 1 year after the final date for filing a protest. However, the State Engineer is authorized to postpone taking action on applications for certain specified reasons. (NRS 533.370)

This bill increases the period in which the State Engineer is required to approve or reject an application to 2 years, unless action is postponed on the application. If the State Engineer has not ~~postponed action on the application and does not take action on~~ **approved or rejected** the application within ~~2~~ **2-year period, the application remains active.** years after the final day for filing a protest, the State Engineer is required to cause republication of notice of the application on the Internet website of the State Engineer for 30 days after the expiration of the 2-year period and protests are authorized to be filed against the granting of the application. ~~If the State Engineer has postponed action on the application and does not take action on~~ **the 2-year period, the application remains active.** If the State Engineer has ~~postponed action on the application and does not take action on~~ **not approved or rejected or held a hearing on** the application within 7 years after the final day for filing a protest, the State Engineer is required to cause notice of the action to be republished in a newspaper and protests are authorized to be filed in the typical manner. ~~Also under this bill, if two or more applications are made to appropriate water from the same basin, and if action is postponed on the application that is made first, the State Engineer is authorized to act on any later application only after determining that water is available in the basin in an amount in excess of the amount requested in the postponed application.~~ This bill makes other conforming changes to carry out the revisions to the process for approving or rejecting applications.

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

Section 1. NRS 533.360 is hereby amended to read as follows:

533.360 1. Except as otherwise provided in subsection 4, ~~and~~ NRS 533.345 ~~and~~ subsection 5, **2** of NRS 533.370, when an application is filed in compliance with this chapter, the State Engineer shall, within 30 days, publish or cause to be published once a week for 4 consecutive weeks in a newspaper of general circulation and printed and published in the county

where the water is sought to be appropriated, a notice of the application which sets forth:

- (a) That the application has been filed.
 - (b) The date of the filing.
 - (c) The name and address of the applicant.
 - (d) The name of the source from which the appropriation is to be made.
 - (e) The location of the place of diversion, described by legal subdivision or metes and bounds and by a physical description of that place of diversion.
 - (f) The purpose for which the water is to be appropriated.
- ➔ The publisher shall add thereto the date of the first publication and the date of the last publication.

2. Except as otherwise provided in subsection 4, proof of publication must be filed within 30 days after the final day of publication. The State Engineer shall pay for the publication from the application fee. If the application is cancelled for any reason before publication, the State Engineer shall return to the applicant that portion of the application fee collected for publication.

3. If the application is for a proposed well:

- (a) For municipal, quasi-municipal or industrial use; and
 - (b) Whose reasonably expected rate of diversion is one-half cubic foot per second or more,
- ➔ the applicant shall mail a copy of the notice of application to each owner of real property containing a domestic well that is within 2,500 feet of the proposed well, to the owner's address as shown in the latest records of the county assessor. If there are not more than six such wells, notices must be sent to each owner by certified mail, return receipt requested. If there are more than six such wells, at least six notices must be sent to owners by certified mail, return receipt requested. The return receipts from these notices must be filed with the State Engineer before the State Engineer may consider the application.

4. The provisions of this section do not apply to an environmental permit.

Sec. 2. NRS 533.365 is hereby amended to read as follows:

533.365 1. Any person interested may, within 30 days after the date of last publication of the notice of application, file with the State Engineer a written protest against the granting of the application, setting forth with reasonable certainty the grounds of such protest, which must be verified by the affidavit of the protestant, or an agent or attorney thereof.

2. On receipt of a protest, the State Engineer shall advise the applicant whose application has been protested of the fact that the protest has been filed with the State Engineer, which advice must be sent by certified mail.

3. The State Engineer shall consider the protest, and may, in his or her discretion, hold hearings and require the filing of such evidence as the State Engineer may deem necessary to a full understanding of the rights involved. The State Engineer shall give notice of the hearing by certified mail to both

the applicant and the protestant. The notice must state the time and place at which the hearing is to be held and must be mailed at least 15 days before the date set for the hearing.

4. Each applicant and each protestant shall, in accordance with a schedule established by the State Engineer, provide to the State Engineer and to each protestant and each applicant information required by the State Engineer relating to the application or protest.

5. If the State Engineer holds a hearing pursuant to subsection 3, the State Engineer shall render a decision on each application not later than 240 days after the later of:

(a) The date all transcripts of the hearing become available to the State Engineer; or

(b) The date specified by the State Engineer for the filing of any additional information, evidence, studies or compilations requested by the State Engineer. The State Engineer may, for good cause shown, extend any applicable period.

6. The State Engineer shall adopt rules of practice regarding the conduct of a hearing held pursuant to subsection 3. The rules of practice must be adopted in accordance with the provisions of NRS 233B.040 to 233B.120, inclusive, and codified in the Nevada Administrative Code. The technical rules of evidence do not apply at such a hearing.

~~7. The provisions of this section do not prohibit the noticing of a new period of 45 days in which a person may file with the State Engineer a written protest against the granting of the application, if such notification is required to be given pursuant to subsection 8 of NRS 533.370.~~

Sec. 3. NRS 533.370 is hereby amended to read as follows:

533.370 1. Except as otherwise provided in this section and NRS 533.345, 533.371, 533.372 and 533.503, the State Engineer shall approve an application submitted in proper form which contemplates the application of water to beneficial use if:

(a) The application is accompanied by the prescribed fees;

(b) ~~There is unappropriated water in the proposed source of supply;~~

~~(c) The proposed use or change does not conflict with existing rights or with protectable interests in existing domestic wells as set forth in NRS 533.024;~~

~~(d) The proposed use or change does not threaten to prove detrimental to the public interest;~~

~~(e)~~ The proposed use or change, if within an irrigation district, does not adversely affect the cost of water for other holders of water rights in the district or lessen the efficiency of the district in its delivery or use of water; and

~~(c)~~ ~~(f)~~ The applicant provides proof satisfactory to the State Engineer of the applicant's:

(1) Intention in good faith to construct any work necessary to apply the water to the intended beneficial use with reasonable diligence; and

(2) Financial ability and reasonable expectation actually to construct the work and apply the water to the intended beneficial use with reasonable diligence.

2. ~~If a previous application for a similar use of water within the same basin has been rejected because the application did not meet the requirements set forth in subsection 1, the State Engineer may reject a new application without publication.~~

3. Except as otherwise provided in subsection 10, where there is no unappropriated water in the proposed source of supply, or where its proposed use or change conflicts with existing rights or with protectable interests in existing domestic wells as set forth in NRS 533.024, or threatens to prove detrimental to the public interest, the State Engineer shall reject the application and refuse to issue the requested permit. If a previous application for a similar use of water within the same basin has been rejected on those grounds, the new application may be denied without publication.

3. In addition to the criteria set forth in subsections 1 and 2, in determining whether an application for an interbasin transfer of groundwater must be rejected pursuant to this section, the State Engineer shall consider:

(a) Whether the applicant has justified the need to import the water from another basin;

(b) If the State Engineer determines that a plan for conservation of water is advisable for the basin into which the water is to be imported, whether the applicant has demonstrated that such a plan has been adopted and is being effectively carried out;

(c) Whether the proposed action is environmentally sound as it relates to the basin from which the water is exported;

(d) Whether the proposed action is an appropriate long-term use which will not unduly limit the future growth and development in the basin from which the water is exported; and

(e) Any other factor the State Engineer determines to be relevant.

4. ~~Except as otherwise provided in this subsection and subsections 3, 6 and 11, subsection 10 and NRS 533.365, the State Engineer shall approve or reject each application within 1 year~~ 2 years after the final date for filing a protest. The State Engineer may:

~~(a) Postpone~~ postpone action ~~upon~~:

(a) Upon written authorization to do so by the applicant. ~~for, if~~

(b) If an application is protested. ~~by the protestant and the applicant.~~

~~(b) Postpone action if~~

(c) If the purpose for which the application was made is municipal use.

~~((c))~~ (d) In areas where studies of water supplies have been determined to be necessary by the State Engineer pursuant to NRS 533.368. ~~for where~~

(e) Where court actions or adjudications are pending ~~{1}~~, ~~{withhold action until it is determined there is unappropriated water or the court action becomes final.~~

~~3.} which may affect the outcome of the application.~~

(f) In areas in which adjudication of vested water rights is deemed necessary by the State Engineer.

(g) On an application for a permit to change a vested water right in a basin where vested water rights have not been adjudicated.

(h) Where authorized entry to any land needed to use the water for which the application is submitted is required from a governmental agency.

(i) On an application for which the State Engineer has required additional information pursuant to NRS 533.375.

5. If the State Engineer does not act upon an application in accordance with subsections 4 and 6, the application remains active until approved or rejected by the State Engineer.

6. Except as otherwise provided in this subsection and subsection ~~{11,} 10,~~ the State Engineer shall approve or reject, within 6 months after the final date for filing a protest, an application filed to change the point of diversion of water already appropriated when the existing and proposed points of diversion are on the same property for which the water has already been appropriated under the existing water right or the proposed point of diversion is on real property that is proven to be owned by the applicant and is contiguous to the place of use of the existing water right. The State Engineer may ~~};~~

(a) Postpone action upon written authorization to do so by the applicant or, if the application is protested, by the protestant and the applicant.

(b) In areas where studies of water supplies have been determined to be necessary by the State Engineer pursuant to NRS 533.368 or where court actions are pending, withhold action until it is determined there is unappropriated water or the court action becomes final.

~~{ (f) In areas in which adjudication of vested water rights is ongoing.~~

~~(g) On an application for a permit to change a vested water right in an area where vested water rights have not been adjudicated.~~

~~(h) Where authorized entry to any land needed to use the water for which the application is submitted is required by a governmental agency.~~

~~4.} postpone action on the application pursuant to subsection 4.~~

7. If the State Engineer ~~has not {postponed action} approved, rejected or held a hearing on {an application pursuant to subsection 3 and does not act upon} an {the} application~~ within ~~{1 year} {2} 7 years~~ after the final date for filing a protest, the ~~{application remains active until acted upon by the} State Engineer ~~{1} shall cause notice of the application to be republished {on the Internet website of the State Engineer for 30 days immediately following the expiration of the 2 year period. A} pursuant to NRS 533.360 immediately preceding the time at which the State Engineer is ready to approve or reject the application. The cost of the republication must be paid by the applicant.~~~~

After such republication, a protest may be filed in accordance with NRS 533.365.

~~{5.} [Except as otherwise provided in subsection 11, where there is no unappropriated water in the proposed source of supply, or where its proposed use or change conflicts with existing rights or with protectable interests in existing domestic wells as set forth in NRS 533.024, or threatens to prove detrimental to the public interest, the State Engineer shall reject the application and refuse to issue the requested permit. If a previous application for a similar use of water within the same basin has been rejected on those grounds, the new application may be denied without publication.] [If the State Engineer has postponed action on an application pursuant to subsection 3 and does not act upon the application within 7 years after the final date for filing a protest, the State Engineer shall cause notice of the application to be republished pursuant to NRS 533.360. The cost of the republication must be paid by the applicant.]~~

~~6. If two or more applications are made to appropriate water from the same basin as determined by the State Engineer, and action on the application made first is postponed pursuant to subsection 3, the State Engineer may act on each remaining application only if the State Engineer determines that water is available in the basin in an amount which exceeds the amount requested in each postponed application.~~

~~7. In determining whether an application for an interbasin transfer of groundwater must be rejected pursuant to this section, the State Engineer shall consider:~~

~~(a) Whether the applicant has justified the need to import the water from another basin;~~

~~(b) If the State Engineer determines that a plan for conservation of water is advisable for the basin into which the water is to be imported, whether the applicant has demonstrated that such a plan has been adopted and is being effectively carried out;~~

~~(c) Whether the proposed action is environmentally sound as it relates to the basin from which the water is exported;~~

~~(d) Whether the proposed action is an appropriate long-term use which will not unduly limit the future growth and development in the basin from which the water is exported;] [and]~~

~~{(e) If the applicant does not intend to place the water to beneficial use personally, whether a contractual or agency relationship exists between the applicant and a purveyor of water; and~~

~~(f) Any other factor the State Engineer determines to be relevant.}~~

~~{7.}~~ 8. If a hearing is held regarding an application, the decision of the State Engineer must be in writing and include findings of fact, conclusions of law and a statement of the underlying facts supporting the findings of fact. The written decision may take the form of a transcription of an oral ruling. The rejection or approval of an application must be endorsed on a copy of the original application, and a record must be made of the endorsement in the

records of the State Engineer. The copy of the application so endorsed must be returned to the applicant. Except as otherwise provided in subsection ~~{12,}~~ **11**, if the application is approved, the applicant may, on receipt thereof, proceed with the construction of the necessary works and take all steps required to apply the water to beneficial use and to perfect the proposed appropriation. If the application is rejected, the applicant may take no steps toward the prosecution of the proposed work or the diversion and use of the public water while the rejection continues in force.

~~{8.} If:~~

~~(a) The State Engineer receives an application to appropriate any of the public waters, or to change the point of diversion, manner of use or place of use of water already appropriated;~~

~~(b) The application involves an amount of water exceeding 250 acre feet per annum;~~

~~(c) The application involves an interbasin transfer of groundwater; and~~

~~(d) Within 7 years after the date of last publication of the notice of application, the State Engineer has not granted the application, denied the application, held an administrative hearing on the application or issued a permit in response to the application,~~

~~the State Engineer shall notice a new period of 45 days in which a person who is a successor in interest to a protestant or an affected water right owner may file with the State Engineer a written protest against the granting of the application. Such notification must be entered on the Internet website of the State Engineer and must, concurrently with that notification, be mailed to the board of county commissioners of the county of origin.~~

~~9. Except as otherwise provided in subsection 10, a person who is a successor in interest to a protestant or an affected water right owner who wishes to protest an application in accordance with a new period of protest noticed pursuant to subsection 8 shall, within 45 days after the date on which the notification was entered and mailed, file with the State Engineer a written protest that complies with the provisions of this chapter and with the regulations adopted by the State Engineer, including, without limitation, any regulations prescribing the use of particular forms or requiring the payment of certain fees.~~

~~10.}~~ **9.** If a person is the successor in interest of an owner of a water right or an owner of real property upon which a domestic well is located and if the former owner of the water right or real property on which a domestic well is located had previously filed a written protest against the granting of an application, the successor in interest must be allowed to pursue that protest in the same manner as if the successor in interest were the former owner whose interest he or she succeeded. If the successor in interest wishes to pursue the protest, the successor in interest must notify the State Engineer ***in a timely manner*** on a form provided by the State Engineer.

~~{11.}~~ **10.** The provisions of subsections 1 to ~~{6,}~~ **9**, inclusive, do not apply to an application for an environmental permit.

~~{12-}~~ 11. The provisions of subsection ~~{7-}~~ 8 do not authorize the recipient of an approved application to use any state land administered by the Division of State Lands of the State Department of Conservation and Natural Resources without the appropriate authorization for that use from the State Land Registrar.

~~{13-}~~ 12. As used in this section ~~{-}~~:

(a) ~~“County of origin” means the county from which groundwater is transferred or proposed to be transferred.~~

(b) ~~“Domestic”~~, **“domestic”** well has the meaning ascribed to it in NRS 534.350.

Sec. 4. NRS 533.3703 is hereby amended to read as follows:

533.3703 1. The State Engineer may consider the consumptive use of a water right and the consumptive use of a proposed beneficial use of water in determining whether a proposed change in the place of diversion, manner of use or place of use complies with the provisions ~~{satisfies the conditions}~~ of subsection 15 paragraphs (b), (c) and (d) of subsection 11 2 of NRS 533.370.

2. The provisions of this section:

(a) Must not be applied by the State Engineer in a manner that is inconsistent with any applicable federal or state decree concerning consumptive use.

(b) Do not apply to any decreed, certified or permitted right to appropriate water which originates in the Virgin River or the Muddy River.

Sec. 5. NRS 534.270 is hereby amended to read as follows:

534.270 1. Upon receipt of an application for a permit to operate a project, the State Engineer shall endorse on the application the date it was received and keep a record of the application. The State Engineer shall conduct an initial review of the application within 45 days after receipt of the application. If the State Engineer determines in the initial review that the application is incomplete, the State Engineer shall notify the applicant. The application is incomplete until the applicant files all the information requested in the application. The State Engineer shall determine whether the application is correct within 180 days after receipt of a complete application. The State Engineer may request additional information from the applicant. The State Engineer may conduct such independent investigations as are necessary to determine whether the application should be approved or rejected.

2. If the application is determined to be complete and correct, the State Engineer, within 30 days after such a determination or a longer period if requested by the applicant, shall cause notice of the application to be given once each week for 2 consecutive weeks in a newspaper of general circulation in the county or counties in which persons reside who could reasonably be expected to be affected by the project. The notice must state:

(a) The legal description of the location of the proposed project;

(b) A brief description of the proposed project including its capacity;

(c) That any person who may be adversely affected by the project may file a written protest with the State Engineer within 30 days after the last publication of the notice;

(d) The date of the last publication;

(e) That the grounds for protesting the project are limited to whether the project would be in compliance with subsection 2 of NRS 534.250;

(f) The name of the applicant; and

(g) That a protest must:

(1) State the name and mailing address of the protester;

(2) Clearly set forth the reason why the permit should not be issued; and

(3) Be signed by the protester or the protester's agent or attorney.

3. A protest to a proposed project:

(a) May be made by any person who may be adversely affected by the project;

(b) Must be in writing;

(c) Must be filed with the State Engineer within 30 days after the last publication of the notice;

(d) Must be upon a ground listed in subsection 2 of NRS 534.250;

(e) Must state the name and mailing address of the protester;

(f) Must clearly set forth the reason why the permit should not be issued; and

(g) Must be signed by the protester or the protester's agent or attorney.

4. Upon receipt of a protest, the State Engineer shall advise the applicant by certified mail that a protest has been filed.

5. Upon receipt of a protest, or upon the motion of the State Engineer, the State Engineer may hold a hearing. Not less than 30 days before the hearing, the State Engineer shall send by certified mail notice of the hearing to the applicant and any person who filed a protest.

6. The State Engineer shall either approve or deny each application within 1 year after the final date for filing a protest, unless the State Engineer has received a written request from the applicant to postpone making a decision or, in the case of a protested application, from both the protester and the applicant. The State Engineer may delay action on the application pursuant to ~~paragraph (c), paragraphs (d) and (e)~~ of subsection ~~(2) (3) 4~~ of NRS 533.370.

7. Any person aggrieved by any decision of the State Engineer made pursuant to subsection 6 may appeal that decision to the district court pursuant to NRS 533.450.

Sec. 6. NRS 538.171 is hereby amended to read as follows:

538.171 1. The Commission shall receive, protect and safeguard and hold in trust for the State of Nevada all water and water rights, and all other rights, interests or benefits in and to the waters described in NRS 538.041 to 538.251, inclusive, and to the power generated thereon, held by or which may accrue to the State of Nevada under and by virtue of any Act of the

Congress of the United States or any agreements, compacts or treaties to which the State of Nevada may become a party, or otherwise.

2. Except as otherwise provided in this subsection, applications for the original appropriation of such waters, or to change the place of diversion, manner of use or place of use of water covered by the original appropriation, must be made to the Commission in accordance with the regulations of the Commission. In considering such an application, the Commission shall use the criteria set forth in subsection ~~16~~ ~~17~~ 3 of NRS 533.370. The Commission's action on the application constitutes the recommendation of the State of Nevada to the United States for the purposes of any federal action on the matter required by law. The provisions of this subsection do not apply to supplemental water.

3. The Commission shall furnish to the State Engineer a copy of all agreements entered into by the Commission concerning the original appropriation and use of such waters. It shall also furnish to the State Engineer any other information it possesses relating to the use of water from the Colorado River which the State Engineer deems necessary to allow the State Engineer to act on applications for permits for the subsequent appropriation of these waters after they fall within the State Engineer's jurisdiction.

4. Notwithstanding any provision of chapter 533 of NRS, any original appropriation and use of the waters described in subsection 1 by the Commission or by any entity to whom or with whom the Commission has contracted the water is not subject to regulation by the State Engineer.

5. Any use of water from the Muddy River or the Virgin River for the creation of any developed shortage supply or intentionally created surplus does not require the submission of an application to the State Engineer to change the place of diversion, manner of use or place of use. As used in this subsection:

(a) "Developed shortage supply" has the meaning ascribed to it in NRS 533.030.

(b) "Intentionally created surplus" has the meaning ascribed to it in NRS 533.030.

Sec. 7. The provisions of NRS 533.370, as amended by section 3 of this act, do not apply to:

1. An application to appropriate water filed before July 1, 2011; or

2. An application to change the place of diversion, manner of use or place of use of appropriated water filed before ~~that date, or~~

~~3. A written protest relating to an application specified in subsection 1 or 2.~~ July 1, 2011.

Sec. 8. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 122.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 508.

AN ACT relating to energy; authorizing the imposition of certain reasonable restrictions or requirements relating to systems for obtaining wind and solar energy; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the governing body of a city or county: (1) may enact zoning regulations and restrictions to promote the health, safety, morals or general welfare of the community; (2) is prohibited from adopting an ordinance or taking any other action which unreasonably prohibits or restricts an owner of real property from using a system for obtaining solar or wind energy on his or her property; (3) may impose a reasonable restriction on the use of a system for obtaining wind energy which is related to the height, noise or safety of the system; and (4) is required to authorize the use of a system which uses solar or wind energy to reduce energy costs for a structure if the system and structure comply with all applicable building codes and zoning ordinances. (NRS 278.020, 278.02077, 278.0208, 278.580) The governing body of a city or county unreasonably prohibits or restricts the use of a system for obtaining solar or wind energy if the governing body imposes restrictions that significantly decrease the efficiency or performance of the solar or wind energy system unless the restriction provides for the use of a comparable alternative system. (NRS 278.02077, 278.0208) **Section 1** of this bill provides that, in addition to reasonable restrictions relating to height, noise or safety, reasonable restrictions on the use of a system for obtaining wind energy may include restrictions relating to setback, location and appearance, and **section 2** of this bill authorizes the imposition of reasonable restrictions relating to the appearance, height, location, noise, ~~for~~ safety or setback of a system for obtaining solar energy. **Additionally, sections 1 and 2 require a governing body to adopt an ordinance that: (1) requires the owner of a residential lot to obtain a special use permit or conditional use permit for a wind or solar energy system; and (2) provides affected property owners with notice and an opportunity to be heard.**

WHEREAS, Nevada has significant amounts of solar and wind resources available for use in the production of clean, renewable sources of energy; and

WHEREAS, It has been a stated goal of the Nevada Legislature to encourage the availability of these solar and wind resources for use by the residents of this State; and

WHEREAS, Local governments have traditionally been authorized to enact zoning and land use regulations and restrictions to promote the health, safety, morals and general welfare of their communities; and

WHEREAS, It is the intent of the Nevada Legislature to encourage local governments to balance the use of clean, renewable sources of energy with

the promotion of the health, safety, morals and general welfare of their communities; now, therefore

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

Section 1. NRS 278.02077 is hereby amended to read as follows:

278.02077 1. Except as otherwise provided in subsection 2:

(a) A governing body shall not adopt an ordinance, regulation or plan or take any other action that prohibits or unreasonably restricts the owner of real property from using a system for obtaining wind energy on his or her property.

(b) Any covenant, restriction or condition contained in a deed, contract or other legal instrument which affects the transfer or sale of, or any other interest in, real property and which prohibits or unreasonably restricts the owner of the property from using a system for obtaining wind energy on his or her property is void and unenforceable.

2. The provisions of subsection 1 do not prohibit a reasonable restriction or requirement:

(a) Imposed pursuant to a determination by the Federal Aviation Administration that the installation of the system for obtaining wind energy would create a hazard to air navigation; ~~for~~

(b) Relating to the **appearance**, height, **location**, noise, ~~for~~ safety **or setback** of a system for obtaining wind energy; ~~or~~

(c) Prohibiting the construction of more than one system for obtaining wind energy per acre for a residential lot.

3. **Each governing body shall adopt an ordinance that:**

(a) Prohibits an owner of a residential lot from installing a system for obtaining wind energy on the residential lot unless the owner has obtained a special use permit or conditional use permit for that use of the residential lot; and

(b) Provides any property owner that would be affected by the system for obtaining wind energy with notice and an opportunity to be heard.

4. For the purposes of this section, “unreasonably restricts the owner of the property from using a system for obtaining wind energy” includes the placing of a restriction or requirement on the use of a system for obtaining wind energy which significantly decreases the efficiency or performance of the system and which does not allow for the use of an alternative system at a substantially comparable cost and with substantially comparable efficiency and performance.

Sec. 2. NRS 278.0208 is hereby amended to read as follows:

278.0208 1. ***Except as otherwise provided in subsection 2:***

(a) A governing body shall not adopt an ordinance, regulation or plan or take any other action that prohibits or unreasonably restricts or has the effect of prohibiting or unreasonably restricting the owner of real property from using a system for obtaining solar energy on his or her property.

~~{2-}~~ (b) Any covenant, restriction or condition contained in a deed, contract or other legal instrument which affects the transfer or sale of, or any other interest in, real property and which prohibits or unreasonably restricts or has the effect of prohibiting or unreasonably restricting the owner of the property from using a system for obtaining solar energy on his or her property is void and unenforceable.

2. *The provisions of subsection 1 do not prohibit a reasonable restriction or requirement relating to the appearance, height, location, noise, ~~for~~ safety or setback of a system for obtaining solar energy.*

3. *Each governing body shall adopt an ordinance that:*

(a) Prohibits an owner of a residential lot from installing a system for obtaining solar energy on the residential lot unless the owner has obtained a special use permit or conditional use permit for that use of the residential lot; and

(b) Provides any property owner that would be affected by the system for obtaining solar energy with notice and an opportunity to be heard.

4. For the purposes of this section, the following shall be deemed to be unreasonable restrictions:

(a) The placing of a restriction or requirement on the use of a system for obtaining solar energy which decreases the efficiency or performance of the system by more than 10 percent of the amount that was originally specified for the system, as determined by the Director of the Office of Energy, and which does not allow for the use of an alternative system at a substantially comparable cost and with substantially comparable efficiency and performance.

(b) The prohibition of a system for obtaining solar energy that uses components painted with black solar glazing.

Sec. 3. This act becomes effective upon passage and approval.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 136.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 62.

AN ACT relating to offenders; revising provisions governing credits for offenders sentenced for certain crimes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that certain credits to the sentence of an offender convicted of certain category C, D or E felonies must be deducted from the minimum term imposed by the sentence until the offender becomes eligible for parole and from the maximum term imposed by the sentence.

(NRS 209.4465) This bill provides that an offender convicted of certain category B felonies also qualifies to have certain credits deducted from the minimum term imposed by the sentence until the offender becomes eligible for parole and from the maximum term imposed by the sentence. **However, an offender who has been convicted of being a habitual criminal, a habitual felon or a habitually fraudulent felon does not qualify for such credits.**

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

Section 1. NRS 209.4465 is hereby amended to read as follows:

209.4465 1. An offender who is sentenced to prison for a crime committed on or after July 17, 1997, who has no serious infraction of the regulations of the Department, the terms and conditions of his or her residential confinement or the laws of the State recorded against the offender, and who performs in a faithful, orderly and peaceable manner the duties assigned to the offender, must be allowed:

(a) For the period the offender is actually incarcerated pursuant to his or her sentence;

(b) For the period the offender is in residential confinement; and

(c) For the period the offender is in the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888,

↪ a deduction of 20 days from his or her sentence for each month the offender serves.

2. In addition to the credits allowed pursuant to subsection 1, the Director may allow not more than 10 days of credit each month for an offender whose diligence in labor and study merits such credits. In addition to the credits allowed pursuant to this subsection, an offender is entitled to the following credits for educational achievement:

(a) For earning a general educational development certificate, 60 days.

(b) For earning a high school diploma, 90 days.

(c) For earning his or her first associate degree, 120 days.

3. The Director may, in his or her discretion, authorize an offender to receive a maximum of 90 days of credit for each additional degree of higher education earned by the offender.

4. The Director may allow not more than 10 days of credit each month for an offender who participates in a diligent and responsible manner in a center for the purpose of making restitution, program for reentry of offenders and parolees into the community, conservation camp, program of work release or another program conducted outside of the prison. An offender who earns credit pursuant to this subsection is eligible to earn the entire 30 days of credit each month that is allowed pursuant to subsections 1 and 2.

5. The Director may allow not more than 90 days of credit each year for an offender who engages in exceptional meritorious service.

6. The Board shall adopt regulations governing the award, forfeiture and restoration of credits pursuant to this section.

7. Except as otherwise provided in subsection 8, credits earned pursuant to this section:

(a) Must be deducted from the maximum term imposed by the sentence; and

(b) Apply to eligibility for parole unless the offender was sentenced pursuant to a statute which specifies a minimum sentence that must be served before a person becomes eligible for parole.

8. Credits earned pursuant to this section by an offender who has not been convicted of:

(a) Any crime that is punishable as a felony involving the use or threatened use of force or violence against the victim;

(b) A sexual offense that is punishable as a felony;

(c) A violation of NRS 484C.110, 484C.120, 484C.130 or 484C.430 that is punishable as a felony; ~~for~~

(d) **Being a habitual criminal pursuant to NRS 207.010, a habitual felon pursuant to NRS 207.012 or a habitually fraudulent felon pursuant to NRS 207.014; or**

(e) A category A ~~for B~~ felony,

→ apply to eligibility for parole and must be deducted from the minimum term imposed by the sentence until the offender becomes eligible for parole and must be deducted from the maximum term imposed by the sentence.

Sec. 2. For the purpose of calculating the credits earned by an offender pursuant to NRS 209.4465, the amendatory provisions of section 1 of this act must be applied:

1. Retroactively to ~~{October 1, 2004,}~~ **January 1, 2005,** to reduce the minimum term of imprisonment of an offender described in subsection 8 of NRS 209.4465, as amended by section 1 of this act, who was placed in the custody of the Department of Corrections before ~~{October 1, 2011,}~~ **January 1, 2012,** and who remains in such custody on ~~{October 1, 2011,}~~ **January 1, 2012.**

2. Retroactively to ~~{October 1, 2010,}~~ **January 1, 2011,** to reduce the maximum term of imprisonment of an offender who was placed on parole before ~~{October 1, 2011,}~~ **January 1, 2012.**

3. In the manner set forth in NRS 209.4465 for all offenders in the custody of the Department of Corrections commencing on ~~{October 1, 2011,}~~ **January 1, 2012,** and for all offenders who are on parole commencing on ~~{October 1, 2011,}~~ **January 1, 2012.**

Sec. 3. This act becomes effective on January 1, 2012.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 223.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 373.

AN ACT relating to civil actions; providing that a certain amount of money held in a personal bank account that is likely to be exempt from execution is not subject to a writ of execution or garnishment; providing a procedure to execute on property held in a safe-deposit box; revising the procedure for claiming an exemption from execution on certain property; making various other changes to provisions governing writs of execution, attachment and garnishment; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law allows a judgment creditor to obtain a writ of execution, attachment or garnishment to levy on the property of a judgment debtor or defendant in certain circumstances. (Chapters 21 and 31 of NRS) Certain property, however, is exempt from execution and therefore cannot be the subject of such a writ. (NRS 21.090) **Section 3** of this bill provides that a certain amount of money held in the personal bank account of a judgment debtor which is likely to be exempt from execution is not subject to a writ of execution or garnishment and must remain accessible to the judgment debtor. **Section 3** further provides immunity from liability to a financial institution which makes an incorrect determination concerning whether money is subject to execution. **Section 4** of this bill provides that notwithstanding the provisions of **section 3**, if a judgment debtor has personal bank accounts in more than one financial institution, the writ may attach to all money in those accounts. The judgment debtor then may claim any exemption that may apply.

Section 5 of this bill provides that a separate writ must be issued to levy on property in a safe-deposit box and provides a procedure for executing on such a writ.

Section 7 of this bill ~~revises the exemptions from execution so that the exemption for certain plans and accounts for deferred payments applies not only to the money that is held in the account, but also to the proceeds paid from those accounts. Section 7 also lists~~ **provides** additional exemptions **from execution** which are provided by Nevada law.

Section 8 of this bill revises the procedures for claiming an exemption from execution, and for objecting to such a claim of exemption. **Sections 6 and 10** of this bill revise the notice that is provided to a judgment debtor or defendant when a writ of execution, attachment or garnishment is levied on the property of the judgment debtor or defendant so that the procedures listed in the notice reflect the changes made in **section 8**. **Sections 6 and 10** further revise the notice to provide additional information concerning the claiming of exemptions.

Sections 2 and 9 of this bill clarify that a constable has authority to perform any of the duties assigned to a sheriff and has all of the authority granted to a sheriff with respect to a writ of execution, garnishment or attachment.

Section 11 of this bill revises the interrogatories that are used with a writ of execution, attachment or garnishment to clarify the manner of determining the earnings which must be identified as subject to execution and to provide specific questions for a bank to conform to the new provisions in **section 3**.

Section 12 of this bill requires the judgment creditor who caused a writ of attachment to issue to prepare an accounting and provide a report to the judgment debtor, the sheriff and each garnishee every 120 days providing information about the debt and the rights of the debtor. The accounting must also be submitted with each subsequent application for a writ filed by the judgment creditor concerning the same judgment.

Section 13 of this bill provides that the fee for receiving, removing and taking care of property on execution, attachment or court order collected by a constable is not payable in advance.

Section 14 of this bill provides that certain unemployment benefits are exempt from execution regardless of whether they are mingled with other money.

Section 15 of this bill repeals NRS 21.114 concerning the submission of sureties to the jurisdiction of the court because the requirement for an undertaking requiring a surety is removed in **section 8**.

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

Section 1. Chapter 21 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

Sec. 2. *A constable may perform any of the duties assigned to a sheriff and has all of the authority granted to a sheriff pursuant to this chapter with respect to a writ of execution or garnishment.*

Sec. 3. 1. *If a writ of execution or garnishment is levied on the personal bank account of the judgment debtor and money has been deposited into the account electronically within the immediately preceding 45 days from the date on which the writ was served which is reasonably identifiable as exempt from execution, notwithstanding any other deposits of money into the account, \$2,000 or the entire amount in the account, whichever is less, is not subject to execution and must remain accessible to the judgment debtor. For the purposes of this section, money is reasonably identifiable as exempt from execution if the money is deposited in the bank account by the United States Department of the Treasury, including, without limitation, money deposited as:*

(a) Benefits provided pursuant to the Social Security Act which are exempt from execution pursuant to 42 U.S.C. §§ 407 and 1383, including, without limitation, retirement and survivors' benefits, supplemental

security income benefits, disability insurance benefits and child support payments that are processed pursuant to Part D of Title IV of the Social Security Act;

(b) Veterans' benefits which are exempt from execution pursuant to 38 U.S.C. § 5301;

(c) Annuities payable to retired railroad employees which are exempt from execution pursuant to 45 U.S.C. § 231m;

(d) Benefits provided for retirement or disability of federal employees which are exempt from execution pursuant to 5 U.S.C. §§ 8346 and 8470;

(e) Annuities payable to retired members of the Armed Forces of the United States and to any surviving spouse or children of such members which are exempt from execution pursuant to 10 U.S.C. §§ 1440 and 1450;

(f) Payments and allowances to members of the Armed Forces of the United States which are exempt from execution pursuant to 37 U.S.C. § 701;

(g) Federal student loan payments which are exempt from execution pursuant to 20 U.S.C. § 1095a;

(h) Wages due or accruing to merchant seamen which are exempt from execution pursuant to 46 U.S.C. § 11109;

(i) Compensation or benefits due or payable to longshore and harbor workers which are exempt from execution pursuant to 33 U.S.C. § 916;

(j) Annuities and benefits for retirement and disability of members of the foreign service which are exempt from execution pursuant to 22 U.S.C. § 4060;

(k) Compensation for injury, death or detention of employees of contractors with the United States outside the United States which is exempt from execution pursuant to 42 U.S.C. § 1717;

(l) Assistance for a disaster from the Federal Emergency Management Agency which is exempt from execution pursuant to 44 C.F.R. § 206.110;

(m) Black lung benefits paid to a miner or a miner's surviving spouse or children pursuant to 30 U.S.C. § 922 or 931 which are exempt from execution; and

(n) Benefits provided pursuant to any other federal law.

2. If a writ of execution or garnishment is levied on the personal bank account of the judgment debtor and the provisions of subsection 1 do not apply, \$1,000 or the entire amount in the account, whichever is less, is not subject to execution and must remain accessible to the judgment debtor.

3. If a judgment debtor has more than one personal bank account with the bank to which a writ is issued, the amount that is not subject to execution must not in the aggregate exceed the amount specified in subsection 1 or 2, as applicable.

4. A judgment debtor may apply to a court to claim an exemption for any amount subject to a writ levied on a personal bank account which exceeds the amount that is not subject to execution pursuant to subsection 1 or 2.

5. *If money in the personal account of the judgment debtor which exceeds the amount that is not subject to execution pursuant to subsection 1 or 2 includes exempt and nonexempt money, the judgment debtor may claim an exemption for the exempt money in the manner set forth in NRS 21.112. To determine whether such money in the account is exempt, the judgment creditor must use the method of accounting which applies the standard that the first money deposited in the account is the first money withdrawn from the account. The court may require a judgment debtor to provide statements from the bank which include all deposits into and withdrawals from the account for the immediately preceding 90 days.*

6. *A financial institution which makes a reasonable effort to determine whether money in the account of a judgment debtor is subject to execution for the purposes of this section is immune from civil liability for any act or omission with respect to that determination, including, without limitation, when the financial institution makes an incorrect determination after applying commercially reasonable methods for determining whether money in an account is exempt because the source of the money was not clearly identifiable or because the financial institution inadvertently misidentified the source of the money. If a court determines that a financial institution failed to identify that money in an account was not subject to execution pursuant to this section, the financial institution must adjust its actions with respect to a writ of execution as soon as possible but may not be held liable for damages.*

7. *Nothing in this section requires a financial institution to revise its determination about whether money is exempt, except by an order of a court.*

Sec. 4. 1. *Notwithstanding the provisions of section 3 of this act, if a judgment debtor has a personal bank account in more than one financial institution, the judgment creditor is entitled to an order from the court to be issued with the writ of execution or garnishment which states that all money held in all such accounts of the judgment debtor that are identified in the application for the order are subject to the writ.*

2. *A judgment creditor may apply to the court for an order pursuant to subsection 1 by submitting a signed affidavit which identifies each financial institution in which the judgment debtor has a personal account.*

3. *A judgment debtor may claim an exemption for any exempt money in the account to which the writ attaches in the manner set forth in NRS 21.112.*

Sec. 5. 1. *If a writ of execution or garnishment is levied on property in a safe-deposit box maintained at a financial institution, a separate writ must be issued from any writ that is issued to levy on an account of the judgment debtor with the financial institution. Notice of the writ must be served personally on the financial institution and promptly thereafter on any third person who is named on the safe-deposit box.*

2. During the period in which the writ of execution or garnishment is in effect, the financial institution must not allow the contents of the safe-deposit box to be removed other than as directed by the sheriff or by court order.

3. The sheriff may allow the person in whose name the safe-deposit box is held to open the safe-deposit box so that the contents may be removed pursuant to the levy. The financial institution may refuse to allow the forcible opening of the safe-deposit box to allow the removal of the property levied upon unless the judgment creditor pays in advance the cost of forcibly opening the safe-deposit box and of repairing any damage caused thereby.

Sec. 6. NRS 21.075 is hereby amended to read as follows:

21.075 1. Execution on the writ of execution by levying on the property of the judgment debtor may occur only if the sheriff serves the judgment debtor with a notice of the writ of execution pursuant to NRS 21.076 and a copy of the writ. The notice must describe the types of property exempt from execution and explain the procedure for claiming those exemptions in the manner required in subsection 2. The clerk of the court shall attach the notice to the writ of execution at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION
YOUR PROPERTY IS BEING ATTACHED OR
YOUR WAGES ARE BEING GARNISHED

A court has determined that you owe money to (name of person), the judgment creditor. The judgment creditor has begun the procedure to collect that money by garnishing your wages, bank account and other personal property held by third persons or by taking money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.

2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.

3. Payments for public assistance granted through the Division of Welfare and Supportive Services of the Department of Health and Human Services or a local governmental entity.

4. Proceeds from a policy of life insurance.

5. Payments of benefits under a program of industrial insurance.

6. Payments received as disability, illness or unemployment benefits.

7. Payments received as unemployment compensation.

8. Veteran's benefits.

9. A homestead in a dwelling or a mobile home, not to exceed \$550,000, unless:

(a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.

(b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.

10. All money reasonably deposited with a landlord by you to secure an agreement to rent or lease a dwelling that is used by you as your primary residence, except that such money is not exempt with respect to a landlord or landlord's successor in interest who seeks to enforce the terms of the agreement to rent or lease the dwelling.

11. A vehicle, if your equity in the vehicle is less than \$15,000.

12. Seventy-five percent of the take-home pay for any workweek, unless the weekly take-home pay is less than 50 times the federal minimum hourly wage, in which case the entire amount may be exempt.

13. Money, not to exceed \$500,000 in present value, held in : ~~land and any proceeds paid from:~~

(a) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;

(b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;

(c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;

(d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

15. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.

16. Regardless of whether a trust contains a spendthrift provision:

(a) A present or future interest in the income or principal of a trust, if the interest has not been distributed from the trust;

(b) A remainder interest in the trust whereby a beneficiary of the trust will receive property from the trust outright at some time in the future under certain circumstances;

(c) A discretionary power held by a trustee to determine whether to make a distribution from the trust, if the interest has not been distributed from the trust;

(d) The power to direct dispositions of property in the trust, other than such a power held by a trustee to distribute property to a beneficiary of the trust;

(e) Certain powers held by a trust protector or certain other persons;

(f) Any power held by the person who created the trust; and

(g) Any other property of the trust that has not been distributed from the trust. Once the property is distributed from the trust, the property is subject to execution.

17. If a trust contains a spendthrift provision:

(a) A mandatory interest in the trust in which the trustee does not have discretion concerning whether to make the distribution from the trust, if the interest has not been distributed from the trust;

(b) A support interest in the trust in which the standard for distribution may be interpreted by the trustee or a court, if the interest has not been distributed from the trust; and

(c) Any other property of the trust that has not been distributed from the trust. Once the property is distributed from the trust, the property is subject to execution.

18. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.

19. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.

20. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

21. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

22. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably

necessary for the support of the judgment debtor and any dependent of the judgment debtor.

23. Payments received as restitution for a criminal act.

24. Personal property, not to exceed \$1,000 in total value, if the property is not otherwise exempt from execution.

25. A tax refund received from the earned income credit provided by federal law or a similar state law.

26. Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in that section.

➡ These exemptions may not apply in certain cases such as a proceeding to enforce a judgment for support of a person or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through (name of organization in county providing legal services to indigent or elderly persons). ***If you do not wish to consult an attorney or receive legal services from an organization that provides assistance to persons who qualify, you may obtain the form to be used to claim an exemption from the clerk of the court.***

PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt, you must complete and file with the clerk of the court ~~the~~ ***an executed claim of exemption***. A copy of the ~~affidavit~~ ***claim of exemption*** must be served upon the sheriff, ***the garnishee*** and the judgment creditor within ~~10~~ ***20 calendar*** days after the notice of execution ***or garnishment*** is ~~mailed~~ ***served on you by mail pursuant to NRS 21.076 which identifies the specific property that is being levied on.*** The property must be ~~returned to you~~ ***released by the garnishee or the sheriff*** within ~~5~~ ***9 judicial*** days after you ~~file~~ ***serve the*** ~~affidavit~~ ***claim of exemption upon the sheriff, garnishee and judgment creditor,*** unless ~~you or the judgment creditor files a motion~~ ***the sheriff or garnishee receives a copy of an objection to the claim of exemption and a notice*** for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The ~~motion~~ ***objection to the claim of exemption and notice*** for the hearing to determine the issue of exemption must be filed within ~~10~~ ***8 judicial*** days after the ~~affidavit~~ ***claim of exemption*** is ~~filed~~ ***served on the judgment creditor by mail or in person and served on the judgment debtor, the sheriff and any garnishee not less than 5 judicial days before the date set for the hearing.*** The hearing to determine whether the property or money is exempt must be held within ~~10~~ ***7 judicial*** days after the ~~motion~~ ***objection to the claim of exemption and notice*** for the hearing is filed. ***You may be able to have your property released more quickly if you mail to the judgment creditor or the attorney of the judgment creditor written proof that the property is exempt.***

Such proof may include, without limitation, a letter from the government, an annual statement from a pension fund, receipts for payment, copies of checks, records from financial institutions or any other document which demonstrates that the money in your account is exempt.

IF YOU DO NOT FILE THE ~~[AFFIDAVIT]~~ **EXECUTED CLAIM OF EXEMPTION** WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.

Sec. 7. NRS 21.090 is hereby amended to read as follows:

21.090 1. The following property is exempt from execution, except as otherwise specifically provided in this section or required by federal law:

(a) Private libraries, works of art, musical instruments and jewelry not to exceed \$5,000 in value, belonging to the judgment debtor or a dependent of the judgment debtor, to be selected by the judgment debtor, and all family pictures and keepsakes.

(b) Necessary household goods, furnishings, electronics, wearing apparel, other personal effects and yard equipment, not to exceed \$12,000 in value, belonging to the judgment debtor or a dependent of the judgment debtor, to be selected by the judgment debtor.

(c) Farm trucks, farm stock, farm tools, farm equipment, supplies and seed not to exceed \$4,500 in value, belonging to the judgment debtor to be selected by the judgment debtor.

(d) Professional libraries, equipment, supplies, and the tools, inventory, instruments and materials used to carry on the trade or business of the judgment debtor for the support of the judgment debtor and his or her family not to exceed \$10,000 in value.

(e) The cabin or dwelling of a miner or prospector, the miner's or prospector's cars, implements and appliances necessary for carrying on any mining operations and the mining claim actually worked by the miner or prospector, not exceeding \$4,500 in total value.

(f) Except as otherwise provided in paragraph (p), one vehicle if the judgment debtor's equity does not exceed \$15,000 or the creditor is paid an amount equal to any excess above that equity.

(g) For any workweek, 75 percent of the disposable earnings of a judgment debtor during that week, or 50 times the minimum hourly wage prescribed by section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), and in effect at the time the earnings are payable, whichever is greater. Except as otherwise provided in paragraphs (o), (s) and (t), the exemption provided in this paragraph does not apply in the case of any order of a court of competent jurisdiction for the support of any person, any order of a court of bankruptcy or of any debt due for any state or federal tax. As used in this paragraph:

(1) "Disposable earnings" means that part of the earnings of a judgment debtor remaining after the deduction from those earnings of any amounts required by law to be withheld.

(2) "Earnings" means compensation paid or payable for personal services performed by a judgment debtor in the regular course of business, including, without limitation, compensation designated as income, wages, tips, a salary, a commission or a bonus. The term includes compensation received by a judgment debtor that is in the possession of the judgment debtor, compensation held in accounts maintained in a bank or any other financial institution or, in the case of a receivable, compensation that is due the judgment debtor.

(h) All fire engines, hooks and ladders, with the carts, trucks and carriages, hose, buckets, implements and apparatus thereunto appertaining, and all furniture and uniforms of any fire company or department organized under the laws of this State.

(i) All arms, uniforms and accouterments required by law to be kept by any person, and also one gun, to be selected by the debtor.

(j) All courthouses, jails, public offices and buildings, lots, grounds and personal property, the fixtures, furniture, books, papers and appurtenances belonging and pertaining to the courthouse, jail and public offices belonging to any county of this State, all cemeteries, public squares, parks and places, public buildings, town halls, markets, buildings for the use of fire departments and military organizations, and the lots and grounds thereto belonging and appertaining, owned or held by any town or incorporated city, or dedicated by the town or city to health, ornament or public use, or for the use of any fire or military company organized under the laws of this State and all lots, buildings and other school property owned by a school district and devoted to public school purposes.

(k) All money, benefits, privileges or immunities accruing or in any manner growing out of any life insurance, if the annual premium paid does not exceed \$15,000. If the premium exceeds that amount, a similar exemption exists which bears the same proportion to the money, benefits, privileges and immunities so accruing or growing out of the insurance that the \$15,000 bears to the whole annual premium paid.

(l) The homestead as provided for by law, including a homestead for which allodial title has been established and not relinquished and for which a waiver executed pursuant to NRS 115.010 is not applicable.

(m) The dwelling of the judgment debtor occupied as a home for himself or herself and family, where the amount of equity held by the judgment debtor in the home does not exceed \$550,000 in value and the dwelling is situated upon lands not owned by the judgment debtor.

(n) All money reasonably deposited with a landlord by the judgment debtor to secure an agreement to rent or lease a dwelling that is used by the judgment debtor as his or her primary residence, except that such money is

not exempt with respect to a landlord or the landlord's successor in interest who seeks to enforce the terms of the agreement to rent or lease the dwelling.

(o) All property in this State of the judgment debtor where the judgment is in favor of any state for failure to pay that state's income tax on benefits received from a pension or other retirement plan.

(p) Any vehicle owned by the judgment debtor for use by the judgment debtor or the judgment debtor's dependent that is equipped or modified to provide mobility for a person with a permanent disability.

(q) Any prosthesis or equipment prescribed by a physician or dentist for the judgment debtor or a dependent of the debtor.

(r) Money, not to exceed \$500,000 in present value, held in ~~in~~ ~~and any proceeds paid from~~

(1) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;

(2) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;

(3) A cash or deferred arrangement which is a qualified plan pursuant to the Internal Revenue Code;

(4) A trust forming part of a stock bonus, pension or profit-sharing plan which is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(5) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

(s) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

(t) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.

(u) Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

(v) Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

(w) Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

(x) Payments received as restitution for a criminal act.

(y) Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.

(z) Any personal property not otherwise exempt from execution pursuant to this subsection belonging to the judgment debtor, including, without limitation, the judgment debtor's equity in any property, money, stocks, bonds or other funds on deposit with a financial institution, not to exceed \$1,000 in total value, to be selected by the judgment debtor.

(aa) Any tax refund received by the judgment debtor that is derived from the earned income credit described in section 32 of the Internal Revenue Code, 26 U.S.C. § 32, or a similar credit provided pursuant to a state law.

(bb) Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in that section.

(cc) Regardless of whether a trust contains a spendthrift provision:

(1) A beneficial interest in the trust as defined in NRS 163.4145 if the interest has not been distributed;

(2) A remainder interest in the trust as defined in NRS 163.416 if the trust does not indicate that the remainder interest is certain to be distributed within 1 year after the date on which the instrument that creates the remainder interest becomes irrevocable;

(3) A discretionary interest in the trust as described in NRS 163.4185 if the interest has not been distributed;

(4) A power of appointment in the trust as defined in NRS 163.4157 regardless of whether the power has been distributed or transferred;

(5) A power listed in NRS 163.5553 that is held by a trust protector as defined in NRS 163.5547 or any other person regardless of whether the power has been distributed or transferred;

(6) A reserved power in the trust as defined in NRS 163.4165 regardless of whether the power has been distributed or transferred; and

(7) Any other property of the trust that has not been distributed from the trust. Once the property is distributed from the trust, the property is subject to execution.

(dd) If a trust contains a spendthrift provision:

(1) A mandatory interest in the trust as described in NRS 163.4185 if the interest has not been distributed;

(2) Notwithstanding a beneficiary's right to enforce a support interest, a support interest in the trust as described in NRS 163.4185 if the interest has not been distributed; and

(3) Any other property of the trust that has not been distributed from the trust. Once the property is distributed from the trust, the property is subject to execution.

(ee) Proceeds received from a private disability insurance plan.

(ff) Money in a trust fund for funeral or burial services pursuant to NRS 689.700.

(gg) Compensation that was payable or paid pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS as provided in NRS 616C.205.

(hh) Unemployment compensation benefits received pursuant to NRS 612.710.

(ii) Benefits or refunds payable or paid from the Public Employees' Retirement System pursuant to NRS 286.670.

(jj) Money paid or rights existing for vocational rehabilitation pursuant to NRS 615.270.

(kk) Public assistance provided through the Department of Health and Human Services pursuant to NRS 422.291.

(ll) Child welfare assistance provided pursuant to NRS 432.036.

2. Except as otherwise provided in NRS 115.010, no article or species of property mentioned in this section is exempt from execution issued upon a judgment to recover for its price, or upon a judgment of foreclosure of a mortgage or other lien thereon.

3. Any exemptions specified in subsection (d) of section 522 of the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to property owned by a resident of this State unless conferred also by subsection 1, as limited by subsection 2.

Sec. 8. NRS 21.112 is hereby amended to read as follows:

21.112 1. In order to claim exemption of any property levied on ~~the~~ **pursuant to this section**, the judgment debtor must, within ~~10~~ **20 calendar** days after the notice ~~prescribed in NRS 21.075 is mailed,~~ **of a writ of execution or garnishment is served on the judgment debtor by mail pursuant to NRS 21.076 which identifies the specific property that is being levied on**, serve on the sheriff, **the garnishee** and **the** judgment creditor and file with the clerk of the court issuing the writ of execution ~~an affidavit setting out~~ the judgment debtor's claim of exemption ~~the~~ **which is executed in the manner set forth in NRS 53.045. If the property that is levied on is the earnings of the judgment debtor, the judgment debtor must file the claim of exemption pursuant to this subsection within 20 calendar days after the date of each withholding of the judgment debtor's earnings.**

2. The clerk of the court shall provide the form for the ~~affidavit~~.

~~2. When the affidavit is served, the sheriff shall release the property if the judgment creditor, within 5 days after written demand by the sheriff:~~

~~(a) Fails to give the sheriff an undertaking executed by two good and sufficient sureties which:~~

~~(1) Is in a sum equal to double the value of the property levied on; and~~

(2) ~~Indemnifies the judgment debtor against loss, liability, damages, costs and attorney's fees by reason of the taking, withholding or sale of the property by the sheriff; or~~

~~(b) Fails to file a motion for a hearing to determine whether the property or money is exempt.~~

~~➔ The clerk of the court shall provide the form for the motion.~~

~~3. At the time of giving the sheriff the undertaking provided for in subsection 2, the judgment creditor shall give notice of the undertaking to the judgment debtor.~~

~~4.} *claim of exemption and shall further provide with the form instructions concerning the manner in which to claim an exemption, a checklist and description of the most commonly claimed exemptions, instructions concerning the manner in which the property must be released to the judgment debtor if no objection to the claim of exemption is filed and an order to be used by the court to grant or deny an exemption. No fee may be charged for providing such a form or for filing the form with the court.*~~

~~3. An objection to the claim of exemption and notice for a hearing must be filed with the court within 8 judicial days after the claim of exemption is served on the judgment creditor by mail or in person and served on the judgment debtor, the sheriff and any garnishee. The judgment creditor shall also serve notice of the date of the hearing on the judgment debtor, the sheriff and any garnishee not less than 5 judicial days before the date set for the hearing.~~

~~4. If an objection to the claim of exemption and notice for a hearing are not filed within 8 judicial days after the claim of exemption has been served, the property of the judgment debtor must be released by the person who has control or possession over the property in accordance with the instructions set forth on the form for the claim of exemption provided pursuant to subsection 2 within 9 judicial days after the claim of exemption has been served.~~

~~5. The sheriff is not liable to the judgment debtor for damages by reason of the taking, withholding or sale of any property { } where { }:~~

~~(a) No affidavit claiming} **a claim of exemption is *not* served on the sheriff. { } or**~~

~~(b) An affidavit claiming exemption is served on the sheriff, but the sheriff fails to release the property in accordance with this section.~~

~~5.} 6. Unless the court continues the hearing for good cause shown, the hearing **on an objection to a claim of exemption** to determine whether the property or money is exempt must be held within {10} **7 judicial** days after the {motion} **objection to the claim and notice** for {the} **a hearing** is filed.~~

~~{6. The judgment creditor shall give the judgment debtor at least 5 days' notice of the hearing.} **The judgment debtor has the burden to prove that he or she is entitled to the claimed exemption at such a hearing. After determining whether the judgment debtor is entitled to an exemption, the**~~

court shall mail a copy of the order to the judgment debtor, the judgment creditor, any other named party, the sheriff and any garnishee.

7. If the sheriff or garnishee does not receive a copy of a claim of exemption from the judgment debtor within 25 calendar days after the property is levied on, the garnishee must release the property to the sheriff or, if the property is held by the sheriff, the sheriff must release the property to the judgment creditor.

8. At any time after:

(a) An exemption is claimed pursuant to this section, the judgment debtor may withdraw the claim of exemption and direct that the property be released to the judgment creditor.

(b) An objection to a claim of exemption is filed pursuant to this section, the judgment creditor may withdraw the objection and direct that the property be released to the judgment debtor.

9. The provisions of this section do not limit or prohibit any other remedy provided by law.

10. In addition to any other procedure or remedy authorized by law, a person other than the judgment debtor whose property is the subject of a writ of execution or garnishment may follow the procedures set forth in this section for claiming an exemption to have the property released.

11. A judgment creditor shall not require a judgment debtor to waive any exemption which the judgment debtor is entitled to claim.

Sec. 9. Chapter 31 of NRS is hereby amended by adding thereto a new section to read as follows:

A constable may perform any of the duties assigned to a sheriff and has all of the authority granted to a sheriff pursuant to this chapter with respect to a writ of attachment.

Sec. 10. NRS 31.045 is hereby amended to read as follows:

31.045 1. Execution on the writ of attachment by attaching property of the defendant may occur only if:

(a) The judgment creditor serves the defendant with notice of the execution when the notice of the hearing is served pursuant to NRS 31.013; or

(b) Pursuant to an ex parte hearing, the sheriff serves upon the judgment debtor notice of the execution and a copy of the writ at the same time and in the same manner as set forth in NRS 21.076.

➡ If the attachment occurs pursuant to an ex parte hearing, the clerk of the court shall attach the notice to the writ of attachment at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION
YOUR PROPERTY IS BEING ATTACHED OR
YOUR WAGES ARE BEING GARNISHED

Plaintiff, ... (name of person), alleges that you owe the plaintiff money. The plaintiff has begun the procedure to collect that money. To secure satisfaction of judgment, the court has ordered the garnishment of your wages, bank account or other personal property held by third persons or the taking of money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.

2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.

3. Payments for public assistance granted through the Division of Welfare and Supportive Services of the Department of Health and Human Services or a local governmental entity.

4. Proceeds from a policy of life insurance.

5. Payments of benefits under a program of industrial insurance.

6. Payments received as disability, illness or unemployment benefits.

7. Payments received as unemployment compensation.

8. Veteran's benefits.

9. A homestead in a dwelling or a mobile home, not to exceed \$550,000, unless:

(a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.

(b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.

10. All money reasonably deposited with a landlord by you to secure an agreement to rent or lease a dwelling that is used by you as your primary residence, except that such money is not exempt with respect to a landlord or the landlord's successor in interest who seeks to enforce the terms of the agreement to rent or lease the dwelling.

11. A vehicle, if your equity in the vehicle is less than \$15,000.

12. Seventy-five percent of the take-home pay for any workweek, unless the weekly take-home pay is less than 50 times the federal minimum hourly wage, in which case the entire amount may be exempt.

13. Money, not to exceed \$500,000 in present value, held in : ~~land and any proceeds paid from:~~

(a) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;

(b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;

(c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;

(d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

15. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.

16. Regardless of whether a trust contains a spendthrift provision:

(a) A present or future interest in the income or principal of a trust, if the interest has not been distributed from the trust;

(b) A remainder interest in the trust whereby a beneficiary of the trust will receive property from the trust outright at some time in the future under certain circumstances;

(c) A discretionary power held by a trustee to determine whether to make a distribution from the trust, if the interest has not been distributed from the trust;

(d) The power to direct dispositions of property in the trust, other than such a power held by a trustee to distribute property to a beneficiary of the trust;

(e) Certain powers held by a trust protector or certain other persons;

(f) Any power held by the person who created the trust; and

(g) Any other property of the trust that has not been distributed from the trust. Once the property is distributed from the trust, the property is subject to execution.

17. If a trust contains a spendthrift provision:

(a) A mandatory interest in the trust in which the trustee does not have discretion concerning whether to make the distribution from the trust, if the interest has not been distributed from the trust;

(b) A support interest in the trust in which the standard for distribution may be interpreted by the trustee or a court, if the interest has not been distributed from the trust; and

(c) Any other property of the trust that has not been distributed from the trust. Once the property is distributed from the trust, the property is subject to execution.

18. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.

19. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.

20. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

21. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

22. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

23. Payments received as restitution for a criminal act.

24. Personal property, not to exceed \$1,000 in total value, if the property is not otherwise exempt from execution.

25. A tax refund received from the earned income credit provided by federal law or a similar state law.

26. Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in that section.

➡ These exemptions may not apply in certain cases such as proceedings to enforce a judgment for support of a child or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through (name of organization in county providing legal services to the indigent or elderly persons). ***If you do not wish to consult an attorney or receive legal services from an organization that provides assistance to persons who qualify, you may obtain the form to be used to claim an exemption from the clerk of the court.***

PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt or necessary for the support of you or your family, you must file with the clerk of the court on a form provided by the clerk ~~the~~ ***an executed claim of*** exemption. A copy of the ~~affidavit~~ ***claim of***

exemption must be served upon the sheriff, **the garnishee** and the judgment creditor within ~~{8}~~ **20 calendar** days after the notice of execution **or garnishment** is ~~mailed~~ **served on you by mail pursuant to NRS 21.076 which identifies the specific property that is being levied on.** The property must be ~~returned to you~~ **released by the garnishee or the sheriff** within ~~{5}~~ **9 judicial** days after you ~~file~~ **serve the affidavit claim of exemption upon the sheriff, garnishee and judgment creditor,** unless the ~~judgment creditor files a motion~~ **sheriff or garnishee receives a copy of an objection to the claim of exemption and a notice** for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. **The objection to the claim of exemption and notice for the hearing to determine the issue of exemption must be filed within 8 judicial days after the claim of exemption is served on the judgment creditor by mail or in person and served on the judgment debtor, the sheriff and any garnishee not less than 5 judicial days before the date set for the hearing.** The hearing must be held within ~~{10}~~ **7 judicial** days after the ~~motion~~ **objection to the claim of exemption and notice** for a hearing is filed. **You may be able to have your property released more quickly if you mail to the judgment creditor or the attorney of the judgment creditor written proof that the property is exempt. Such proof may include, without limitation, a letter from the government, an annual statement from a pension fund, receipts for payment, copies of checks, records from financial institutions or any other document which demonstrates that the money in your account is exempt.**

IF YOU DO NOT FILE THE ~~{AFFIDAVIT}~~ **EXECUTED CLAIM OF EXEMPTION** WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.

If you received this notice with a notice of a hearing for attachment and you believe that the money or property which would be taken from you by a writ of attachment is exempt or necessary for the support of you or your family, you are entitled to describe to the court at the hearing why you believe your property is exempt. You may also file a motion with the court for a discharge of the writ of attachment. You may make that motion any time before trial. A hearing will be held on that motion.

IF YOU DO NOT FILE THE MOTION BEFORE THE TRIAL, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE PROPERTY OR MONEY IS EXEMPT OR NECESSARY FOR THE SUPPORT OF YOU OR YOUR FAMILY.

Sec. 11. NRS 31.290 is hereby amended to read as follows:

31.290 1. The interrogatories to ***be submitted with any writ of execution, attachment or garnishment to*** the garnishee may be in substance as follows:

INTERROGATORIES

Are you in any manner indebted to the
defendants.....

.....,
or either of them, either in property or money, and is the debt now due? If not
due, when is the debt to become due? State fully all particulars.

Answer:

.....
Are you an employer of one or all of the defendants? If so, state the length
of your pay period and the amount ***of disposable earnings, as defined in
NRS 31.295, that*** each defendant presently earns during a pay period. ***State
the minimum amount of disposable earnings that is exempt from this
garnishment, which is the federal minimum hourly wage prescribed by
section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C.
§ 206(a)(1), in effect at the time the earnings are payable multiplied by 50
for each week of the pay period, after deducting any amount required by
law to be withheld. [The minimum amount of disposable earnings may be
determined, if the pay period is:***

~~Weekly: By multiplying 50 times the federal minimum hourly wage;~~

~~Biweekly: By multiplying 50 times the federal minimum hourly wage, times
2;~~

~~Semimonthly: By multiplying 50 times the federal minimum hourly wage,
times 52, divided by 24; or~~

~~Monthly: By multiplying 50 times the federal minimum hourly wage, times
52, divided by 12.~~

~~State the amount that is subject to garnishment, which must not exceed 25
percent of the disposable earnings.]~~

Calculate the attachable amount as follows:

(Check one of the following) The employee is paid:

[A] Weekly: [B] Biweekly: [C] Semimonthly: [D] Monthly:

(1) Gross Earnings \$ _____

**(2) Deductions required by law (not including child
support)** \$ _____

(3) Disposable Earnings [Subtract line 2 from line 1] \$ _____

(4) Federal Minimum Wage \$ _____

(5) Multiply line 4 by 50 \$ _____

**(6) Complete the following directions in accordance
with the letter selected above:**

[A] Multiply line 5 by 1 \$ _____

[B] Multiply line 5 by 2 \$ _____

[C] Multiply line 5 by 52 and then divide by 24

\$ ____

[D] Multiply line 5 by 52 and then divide by 12

\$ ____

(7) Subtract line 6 from line 3

\$ ____

This is the attachable earnings. This amount must not exceed 25% of the disposable earnings from line 3.

Answer:.....

Did you have in your possession, in your charge or under your control, on the date the writ of garnishment was served upon you, any money, property, effects, goods, chattels, rights, credits or choses in action of the defendants, or either of them, or in which is interested? If so, state its value, and state fully all particulars.

Answer:

Do you know of any debts owing to the defendants, whether due or not due, or any money, property, effects, goods, chattels, rights, credits or choses in action, belonging to or in which is interested, and now in the possession or under the control of others? If so, state particulars.

Answer:

Are you a financial institution with a personal account held by one or all of the defendants? If so, state the account number and the amount of money in the account which is subject to garnishment. As set forth in section 3 of this act, \$2,000 or the entire amount in the account, whichever is less, is not subject to garnishment if the financial institution reasonably identifies that an electronic deposit of money has been made into the account within the immediately preceding 45 days which is exempt from execution, including, without limitation, payments of money described in section 3 of this act or, if no such deposit has been made, \$1,000 or the entire amount in the account, whichever is less, is not subject to garnishment. The amount which is not subject to garnishment does not apply to each account of the judgment debtor, but rather is an aggregate amount that is not subject to garnishment.

Answer:

State your correct name and address, or the name and address of your attorney upon whom written notice of further proceedings in this action may be served.

Answer:

.....

Garnishee

I (insert the name of the garnishee), ~~I do solemnly swear (or affirm)~~
declare under penalty of perjury that the answers to the foregoing
 interrogatories by me subscribed are true ~~I~~ **and correct**.

(Signature of garnishee)

~~{SUBSCRIBED and SWORN to before me this day of the month of
 of the year}~~

2. The garnishee shall answer the interrogatories in writing upon oath or affirmation and submit the answers to the sheriff within the time required by the writ. ***The garnishee shall submit his or her answers to the judgment debtor within the same time.*** If the garnishee fails to do so, the garnishee shall be deemed in default.

Sec. 12. NRS 31.296 is hereby amended to read as follows:

31.296 1. Except as otherwise provided in subsection 3, if the garnishee indicates in the garnishee's answer to garnishee interrogatories that the garnishee is the employer of the defendant, the writ of garnishment served on the garnishee shall be deemed to continue for 120 days or until the amount demanded in the writ is satisfied, whichever occurs earlier.

2. In addition to the fee set forth in NRS 31.270, a garnishee is entitled to a fee from the plaintiff of \$3 per pay period, not to exceed \$12 per month, for each withholding made of the defendant's earnings. This subsection does not apply to the first pay period in which the defendant's earnings are garnished.

3. If the defendant's employment by the garnishee is terminated before the writ of garnishment is satisfied, the garnishee:

(a) Is liable only for the amount of earned but unpaid, disposable earnings that are subject to garnishment.

(b) Shall provide the plaintiff or the plaintiff's attorney with the last known address of the defendant and the name of any new employer of the defendant, if known by the garnishee.

4. ***The judgment creditor who caused the writ of attachment to issue pursuant to NRS 31.013 shall prepare an accounting and provide a report to the judgment debtor, the sheriff and each garnishee every 120 days which sets forth, without limitation, the amount owed by the judgment debtor, the costs and fees allowed pursuant to NRS 18.160 and any accrued interest and costs on the judgment. The report must advise the judgment debtor of the judgment debtor's right to request a hearing pursuant to NRS 18.110 to dispute any accrued interest, fee or other charge. The judgment creditor must submit this accounting with each subsequent application for writ made by the judgment creditor concerning the same debt.***

Sec. 13. NRS 258.230 is hereby amended to read as follows:

258.230 Except with respect to the ~~fee~~ **fees** described in ~~paragraph~~ **paragraphs (a) and (d)** of subsection 2 of NRS 258.125, all fees prescribed in this chapter shall be payable in advance, if demanded. If a constable shall not have received any or all of his or her fees, which may be due the constable for services rendered by him or her in any suit or proceedings, the constable may have execution therefor in his or her own name against the party or parties from whom they are due, to be issued from the court where the action is pending, upon the order of the justice of the peace or court upon affidavit filed.

Sec. 14. NRS 612.710 is hereby amended to read as follows:

612.710 Except as otherwise provided in NRS 31A.150:

1. Any assignment, pledge or encumbrance of any right to benefits which are or may become due or payable under this chapter is void, except for a voluntary assignment of benefits to satisfy an obligation to pay support for a child.

2. Benefits are exempt from levy, execution, attachment, or any other remedy provided for the collection of debt. Benefits received by any person ~~if they are not mingled with other money of the recipient,~~ are exempt from any remedy for the collection of all debts, except debts incurred for necessities furnished to the person or the person's spouse or dependents during the time when the person was unemployed.

3. Any other waiver of any exemption provided for in this section is void.

Sec. 15. NRS 21.114 is hereby repealed.

TEXT OF REPEALED SECTION

21.114 Sureties: Submission to jurisdiction of court; exceptions to sufficiency and justification.

1. By entering into any undertaking provided for in NRS 21.112, the sureties thereunder submit themselves to the jurisdiction of the court and irrevocably appoint the clerk of the court as agent upon whom any papers affecting liability on the undertaking may be served. Liability on such undertaking may be enforced on motion to the court without the necessity of an independent action. The motion and such reasonable notice of the motion as the court prescribes may be served on the clerk of the court, who shall forthwith mail copies to the sureties if their addresses are known.

2. Exceptions to the sufficiency of the sureties and their justification may be had and taken in the same manner as upon an undertaking given in other cases under titles 2 and 3 of NRS. If they, or others in their place, fail to justify at the time and place appointed, the sheriff must release the property; but if no exception is taken within 5 days after notice of receipt of the undertaking, the judgment debtor shall be deemed to have waived any and all objections to the sufficiency of the sureties.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 240.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 520.

AN ACT relating to public agencies; revising the restrictions on contracts with or employment of former or current state employees by a state agency; requiring state agencies to report all contracts for services as part of the budget process; requiring that a contractor with a state agency ~~for with a school district have a current and valid business license;~~ **be in active and good standing with the Secretary of State;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law restricts the employment of consultants by public agencies and requires the approval of certain contracts with consultants by the Interim Finance Committee. (NRS 284.1729) **Section 1** of this bill expands those restrictions to apply to all contracts to provide services to state agencies, ~~and~~ revises the exceptions to the restrictions. ~~It~~ **and requires approval of the State Board of Examiners rather than the Interim Finance Committee of contracts subject to the restrictions. Section 1 also prohibits a state agency from entering into a contract with a person for services without ensuring that the person is in active and good standing with the Secretary of State.** **Section 2** of this bill requires state agencies to report all contracts for services as part of the budget process instead of only reporting contracts with consultants and temporary employment services. ~~[Sections 1 and 3 of this bill prohibit a state agency or a school district from entering into a contract with a person for services without ensuring that the person has a current and valid state business license.]~~ **Section 3** ~~also~~ moves the reporting requirements for school districts regarding consultants to the chapter which specifically governs school districts.

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

Section 1. NRS 284.1729 is hereby amended to read as follows:

284.1729 1. Except as otherwise provided in this section, a department, division or other agency of this State shall not ~~employ, by~~ **enter into a contract** ~~for otherwise,~~ **with** a person to provide services ~~as a consultant~~ for the agency if:

(a) The person is a current employee of an agency of this State;

(b) The person is a former employee of an agency of this State and less than ~~1 year has~~ **2 years have** expired since the termination of the person's employment with the State;

(c) Except as otherwise provided in paragraph (d), the term of the contract is for more than 2 years, or is amended or otherwise extended beyond 2 years; or

(d) The person is employed by the Department of Transportation for a transportation project that is ~~federally~~ **entirely** funded **by federal money** and the term of the contract is for more than 4 years, ~~for is amended or otherwise extended beyond 4 years,~~

↪ unless, before the ~~person is employed~~ **contract is executed** by the agency, the ~~Interim Finance Committee~~ **State Board of Examiners** approves the employment of the person. ***The requirements of this subsection apply to any person employed by a business or other entity that enters into a contract to provide services for a department, division or agency of this State if the person will be performing or producing the services for which the business or entity is employed.***

2. The provisions of paragraph (b) of subsection 1 apply to employment through a temporary employment service. A temporary employment service providing employees for a state agency shall provide the agency with the names of the employees to be provided to the agency. The ~~Interim Finance Committee~~ **State Board of Examiners** shall not approve ~~the employment of a consultant~~ **a contract** pursuant to paragraph (b) of subsection 1 unless the ~~Interim Finance Committee~~ **Board** determines that one or more of the following circumstances exist:

(a) The person provides services that are not provided by any other employee of the agency or for which a critical labor shortage exists; or

(b) A short-term need or unusual economic circumstance exists for the agency to ~~employ~~ **contract with** the person. ~~as a consultant.~~

3. A department, division or other agency of this State may ~~employ~~ **contract with** a person pursuant to paragraph (a) or (b) of subsection 1 without obtaining the approval of the ~~Interim Finance Committee~~ **State Board of Examiners** if the term of ~~employment~~ **the contract** is for less than 4 months and the executive head of the department, division or agency determines that an emergency exists which necessitates the ~~employment.~~ **contract.** If a department, division or agency ~~employs~~ **contracts with** a person pursuant to this subsection, the department, division or agency shall include in the report to the ~~Interim Finance Committee~~ **State Board of Examiners** pursuant to subsection 4 a description of the emergency.

4. Except as otherwise provided in subsection ~~7,~~ **8**, a department, division or other agency of this State shall report to the Interim Finance Committee whenever it ~~employs, by contract or otherwise,~~ **contracts with** a person to provide services ~~as a consultant~~ for the agency who is a former employee of a department, division or other agency of this State.

5. Except as otherwise provided in subsection ~~{7,}~~ **8**, a department, division or other agency of this State shall not contract with a temporary employment service unless the contracting process is controlled by rules of open competitive bidding.

6. Each board or commission of this State ~~{, each school district in this State}~~ and each institution of the Nevada System of Higher Education that employs a consultant shall, at least once every 6 months, submit to the Interim Finance Committee a report setting forth:

(a) The number of consultants employed by the board, commission ~~{, school district}~~ or institution;

(b) The purpose for which the board, commission ~~{, school district}~~ or institution employs each consultant;

(c) The amount of money or other remuneration received by each consultant from the board, commission ~~{, school district}~~ or institution; and

(d) The length of time each consultant has been employed by the board, commission ~~{, school district}~~ or institution.

7. ***A department, division or other agency of this State, including a board or commission of this State and each institution of the Nevada System of Higher Education, shall not enter into a contract with a person to provide services without ensuring that the person ~~{has a current and valid state business license,}~~ is in active and good standing with the Secretary of State.***

8. The provisions of subsections 1 to 5, inclusive, do not apply to : ~~{the:}~~

(a) ***The Nevada System of Higher Education ~~{, the Public Employees' Benefits Program}~~ or a board or commission of this State.***

(b) ~~{Employment}~~ ***The employment*** of professional engineers by the Department of Transportation if those engineers are employed for a transportation project that is ~~{federally funded}~~.

8. ~~For the purposes of this section, "consultant" includes any person employed by a business or other entity that is providing consulting services if the person will be performing or producing the work for which the business or entity is employed.}~~ ***entirely funded by federal money.***

(c) ***Contracts in the amount of \$1 million or more entered into ~~{pursuant}~~ :***

(1) Pursuant to the State Plan for Medicaid established pursuant to NRS 422.271.

~~{ (d) Contracts for }~~

(2) For financial services.

(3) Pursuant to the Public Employees' Benefits Program.

Sec. 2. NRS 353.210 is hereby amended to read as follows:

353.210 1. Except as otherwise provided in subsection 6, on or before September 1 of each even-numbered year, all departments, institutions and other agencies of the Executive Department of the State Government, and all agencies of the Executive Department of the State Government receiving state money, fees or other money under the authority of the State, including

those operating on money designated for specific purposes by the Nevada Constitution or otherwise, shall prepare, on blanks furnished them by the Chief, and submit to the Chief:

(a) The number of positions within the department, institution or agency that have been vacant for at least 12 months, the number of months each such position has been vacant and the reasons for each such vacancy;

(b) Any existing contracts **for services** the department, institution or agency has with ~~consultants or~~ temporary employment services ~~H~~ **or other persons**, the proposed expenditures for such contracts in the next 2 fiscal years and the reasons for the use of such ~~consultants or~~ services; and

(c) Estimates of their expenditure requirements, together with all anticipated income from fees and all other sources, for the next 2 fiscal years compared with the corresponding figures of the last completed fiscal year and the estimated figures for the current fiscal year.

2. The Chief shall direct that one copy of the forms submitted pursuant to subsection 1, accompanied by every supporting schedule and any other related material, be delivered directly to the Fiscal Analysis Division of the Legislative Counsel Bureau on or before September 1 of each even-numbered year.

3. The Budget Division of the Department of Administration shall give advance notice to the Fiscal Analysis Division of the Legislative Counsel Bureau of any conference between the Budget Division of the Department of Administration and personnel of other state agencies regarding budget estimates. A Fiscal Analyst of the Legislative Counsel Bureau or his or her designated representative may attend any such conference.

4. The estimates of expenditure requirements submitted pursuant to subsection 1 must be classified to set forth the data of funds, organizational units, and the character and objects of expenditures, and must include a mission statement and measurement indicators for each program. The organizational units may be subclassified by functions and activities, or in any other manner at the discretion of the Chief.

5. If any department, institution or other agency of the Executive Department of the State Government, whether its money is derived from state money or from other money collected under the authority of the State, fails or neglects to submit estimates of its expenditure requirements as provided in this section, the Chief may, from any data at hand in the Chief's office or which the Chief may examine or obtain elsewhere, make and enter a proposed budget for the department, institution or agency in accordance with the data.

6. Agencies, bureaus, commissions and officers of the Legislative Department, the Public Employees' Retirement System and the Judicial Department of the State Government shall submit to the Chief for his or her information in preparing the proposed executive budget the budgets which they propose to submit to the Legislature.

Sec. 3. Chapter 391 of NRS is hereby amended by adding thereto a new section to read as follows:

~~Each school district in this State that employs a consultant shall, at least once every 6 months, submit to the Interim Finance Committee a report setting forth:~~

~~(a) 1. The number of consultants employed by the school district;~~

~~(b) 2. The purpose for which the school district employs each consultant;~~

~~(c) 3. The amount of money or other remuneration received by each consultant from the school district; and~~

~~(d) 4. The length of time each consultant has been employed by the school district.~~

~~2. A school district shall not employ, by contract or otherwise, a person to provide services for the school district for which a business license is required without ensuring that the person has a current and valid state business license.~~

Sec. 4. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 257.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 391.

AN ACT relating to the Open Meeting Law; revising provisions governing periods devoted to public comment; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Open Meeting Law requires that meetings of public bodies be open to the public, with limited exceptions. Under the Open Meeting Law, a public body is required to provide written notice of all such meetings, which must include an agenda with a period devoted to comments by the general public and discussion of those comments. However, a public body is prohibited from taking action upon a matter that is raised during such a period for public comment until the matter has been specifically included on an agenda and is denoted to be an item upon which the public body may take action. (NRS 241.020) This bill requires the public body ~~to, before taking action on an agenda item that is denoted as an item on which the public body may take action,~~ to provide ~~to provide~~ **two separate periods** devoted to public comment ~~on the agenda item. The public body is also required to provide one additional period for public comment immediately~~ **: (1) one at the beginning of the meeting; and (2) one** before the adjournment of the

meeting ~~it~~, **each of which must allow for discussion of any public comments.**

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

Section 1. NRS 241.020 is hereby amended to read as follows:

241.020 1. Except as otherwise provided by specific statute, all meetings of public bodies must be open and public, and all persons must be permitted to attend any meeting of these public bodies. A meeting that is closed pursuant to a specific statute may only be closed to the extent specified in the statute allowing the meeting to be closed. All other portions of the meeting must be open and public, and the public body must comply with all other provisions of this chapter to the extent not specifically precluded by the specific statute. Public officers and employees responsible for these meetings shall make reasonable efforts to assist and accommodate persons with physical disabilities desiring to attend.

2. Except in an emergency, written notice of all meetings must be given at least 3 working days before the meeting. The notice must include:

- (a) The time, place and location of the meeting.
- (b) A list of the locations where the notice has been posted.
- (c) An agenda consisting of:

(1) A clear and complete statement of the topics scheduled to be considered during the meeting.

(2) A list describing the items on which action may be taken and clearly denoting that action may be taken on those items.

(3) ~~[A] *For each item included on the agenda as an item upon which action may be taken pursuant to subparagraph (2), a period*~~ **At least two periods** devoted to comments by the general public, ~~if any, *for the item,*~~ **which must be taken at the beginning of the meeting and before the adjournment of the meeting,** and discussion of those comments. ~~A public body shall provide such a period before taking action on the item. A public body shall provide an additional period devoted to comments by the general public, if any, and discussion of those comments immediately before the adjournment of the meeting.~~ No action may be taken upon a matter raised ~~under~~ ~~[this item of the agenda]~~ **during a period devoted to comments by the general public** until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to subparagraph (2).

(4) If any portion of the meeting will be closed to consider the character, alleged misconduct or professional competence of a person, the name of the person whose character, alleged misconduct or professional competence will be considered.

(5) If, during any portion of the meeting, the public body will consider whether to take administrative action against a person, the name of the person against whom administrative action may be taken.

3. Minimum public notice is:

(a) Posting a copy of the notice at the principal office of the public body or, if there is no principal office, at the building in which the meeting is to be held, and at not less than three other separate, prominent places within the jurisdiction of the public body not later than 9 a.m. of the third working day before the meeting; and

(b) Providing a copy of the notice to any person who has requested notice of the meetings of the public body. A request for notice lapses 6 months after it is made. The public body shall inform the requester of this fact by enclosure with, notation upon or text included within the first notice sent. The notice must be:

(1) Delivered to the postal service used by the public body not later than 9 a.m. of the third working day before the meeting for transmittal to the requester by regular mail; or

(2) If feasible for the public body and the requester has agreed to receive the public notice by electronic mail, transmitted to the requester by electronic mail sent not later than 9 a.m. of the third working day before the meeting.

4. If a public body maintains a website on the Internet or its successor, the public body shall post notice of each of its meetings on its website unless the public body is unable to do so because of technical problems relating to the operation or maintenance of its website. Notice posted pursuant to this subsection is supplemental to and is not a substitute for the minimum public notice required pursuant to subsection 3. The inability of a public body to post notice of a meeting pursuant to this subsection as a result of technical problems with its website shall not be deemed to be a violation of the provisions of this chapter.

5. Upon any request, a public body shall provide, at no charge, at least one copy of:

(a) An agenda for a public meeting;

(b) A proposed ordinance or regulation which will be discussed at the public meeting; and

(c) Subject to the provisions of subsection 6, any other supporting material provided to the members of the public body for an item on the agenda, except materials:

(1) Submitted to the public body pursuant to a nondisclosure or confidentiality agreement which relates to proprietary information;

(2) Pertaining to the closed portion of such a meeting of the public body; or

(3) Declared confidential by law, unless otherwise agreed to by each person whose interest is being protected under the order of confidentiality.

➡ The public body shall make at least one copy of the documents described in paragraphs (a), (b) and (c) available to the public at the meeting to which the documents pertain. As used in this subsection, "proprietary information" has the meaning ascribed to it in NRS 332.025.

6. A copy of supporting material required to be provided upon request pursuant to paragraph (c) of subsection 5 must be:

(a) If the supporting material is provided to the members of the public body before the meeting, made available to the requester at the time the material is provided to the members of the public body; or

(b) If the supporting material is provided to the members of the public body at the meeting, made available at the meeting to the requester at the same time the material is provided to the members of the public body.

➔ If the requester has agreed to receive the information and material set forth in subsection 5 by electronic mail, the public body shall, if feasible, provide the information and material by electronic mail.

7. A public body may provide the public notice, information and material required by this section by electronic mail. If a public body makes such notice, information and material available by electronic mail, the public body shall inquire of a person who requests the notice, information or material if the person will accept receipt by electronic mail. The inability of a public body, as a result of technical problems with its electronic mail system, to provide a public notice, information or material required by this section to a person who has agreed to receive such notice, information or material by electronic mail shall not be deemed to be a violation of the provisions of this chapter.

8. As used in this section, “emergency” means an unforeseen circumstance which requires immediate action and includes, but is not limited to:

(a) Disasters caused by fire, flood, earthquake or other natural causes; or

(b) Any impairment of the health and safety of the public.

Sec. 2. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 265.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 392.

AN ACT relating to peace officers; ~~requiring a law enforcement agency to release a peace officer from his or her regular working hours to attend certain hearings and administrative proceedings under certain circumstances;~~ **revising the circumstances under which a law enforcement agency is prohibited from suspending a peace officer without pay during an investigation; authorizing a representative of a peace officer to attend an interview with the peace officer under certain circumstances;** requiring a law enforcement agency to ~~compensate~~ **revise** a peace ~~officer~~ **officer's**

work schedule for attending certain hearings and administrative proceedings; ~~providing a civil penalty for certain violations of the rights of a peace officer;~~ **prohibiting the use in a criminal proceeding of a statement or answer of a peace officer obtained during an investigation under certain circumstances;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~##~~ **Existing law authorizes a law enforcement agency to conduct an investigation of a peace officer in response to a complaint or allegation that the peace officer has engaged in activities which may result in punitive action. Existing law prohibits the law enforcement agency from suspending the peace officer without pay during the investigation until all investigations relating to the matter have concluded. (NRS 289.057) Section 1 of this bill prohibits the law enforcement agency from suspending the peace officer without pay except as otherwise provided in a collective bargaining agreement.**

Existing law requires a law enforcement agency to notify a peace officer not later than 48 hours before conducting any interrogation or hearing relating to an investigation of the peace officer. (NRS 289.060) Section 1.5 of this bill imposes additional requirements by requiring the law enforcement agency to provide a written notice to any other peace officer the law enforcement agency believes has any knowledge of any fact relating to the complaint or allegation against the peace officer who is the subject of the investigation. The written notice must advise the peace officer that he or she must appear and be interviewed as a witness in connection with the investigation. Section 1.5 also limits the use of certain evidence discovered during the course of an investigation or hearing and prohibits the use of certain statements or answers made by a peace officer in any subsequent criminal proceeding.

Finally, existing law provides that, if a peace officer is the subject of an investigation of alleged misconduct, ~~existing law provides that~~ a law enforcement agency must interrogate the peace officer during his or her regular working hours, if practical, or compensate the peace officer for his or her time based on the peace officer's wages, if no charges arise from the interrogation. (NRS 289.060) Section 1 of this bill requires instead that any time a peace officer is required to attend any interrogation, hearing or administrative proceeding concerning the peace officer, such interrogation, hearing or administrative proceeding must be held during the peace officer's regular working hours, or the peace officer must be released from his or her regular working hours the day before the interrogation, hearing or administrative proceeding and must be compensated for the day of the interrogation, hearing or administrative proceeding at his or her regular wages.

~~Existing law provides that, if prejudicial evidence is obtained in violation of a peace officer's rights during an investigation of the peace officer which~~

~~could result in punitive action, that evidence is inadmissible in any administrative proceeding or civil action against the peace officer. (NRS 289.085) Section 2 of this bill provides that, in addition to the exclusion of the evidence, a person who violates a peace officer's rights intentionally, knowingly or willfully in such an investigation is liable to the peace officer for a civil penalty of not more than \$5,000, plus reasonable attorney's fees and costs.~~ **1.5 of this bill deletes the requirement for the payment of compensation to the peace officer and instead requires the law enforcement agency to revise the peace officer's work schedule to allow any time that is required for the interrogation to be deemed a part of the peace officer's regular working hours. If the law enforcement agency does not interrogate the peace officer during his or her regular working hours and the peace officer receives a notice to appear for an interrogation at a time that he or she is off duty, section 1.5 requires the peace officer to be compensated for appearing at the interrogation based on his or her wages and any other benefits he or she is entitled to receive.**

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

Section 1. NRS 289.057 is hereby amended to read as follows:

289.057 1. An investigation of a peace officer may be conducted in response to a complaint or allegation that the peace officer has engaged in activities which could result in punitive action.

2. ~~{A}~~ **Except as otherwise provided in a collective bargaining agreement, a** law enforcement agency shall not suspend a peace officer without pay during or pursuant to an investigation conducted pursuant to this section until all investigations relating to the matter have concluded.

3. After the conclusion of the investigation:

(a) If the investigation causes a law enforcement agency to impose punitive action against the peace officer who was the subject of the investigation and the peace officer has received notice of the imposition of the punitive action, the peace officer or a representative authorized by the peace officer may, except as otherwise prohibited by federal or state law, review any administrative or investigative file maintained by the law enforcement agency relating to the investigation, including any recordings, notes, transcripts of interviews and documents.

(b) If, pursuant to a policy of a law enforcement agency or a labor agreement, the record of the investigation or the imposition of punitive action is subject to being removed from any administrative file relating to the peace officer maintained by the law enforcement agency, the law enforcement agency shall not, except as otherwise required by federal or state law, keep or make a record of the investigation or the imposition of punitive action after the record is required to be removed from the administrative file.

~~{Section 1.}~~ **Sec. 1.5** NRS 289.060 is hereby amended to read as follows:

289.060 1. Except as otherwise provided in this subsection, a law enforcement agency shall, not later than 48 hours before any interrogation or hearing is held relating to an investigation conducted pursuant to NRS 289.057, provide a written notice to the peace officer ~~[-A]~~ who is the subject of the investigation. If the law enforcement agency believes that any other peace officer has any knowledge of any fact relating to the complaint or allegation against the peace officer who is the subject of the investigation, the law enforcement agency shall provide a written notice to the peace officer advising the peace officer that he or she must appear and be interviewed as a witness in connection with the investigation. Any peace officer who serves as a witness during an interview must be allowed a reasonable opportunity to arrange for a representative chosen by the peace officer to attend the interview with the peace officer. Such a representative must not include the peace officer who is the subject of the investigation or any other witness who the law enforcement agency believes may have knowledge of any fact relating to the investigation. Any peace officer specified in this subsection may waive the notice required pursuant to this section.

2. The notice provided to the peace officer who is the subject of the investigation must include:

- (a) A description of the nature of the investigation;
- (b) A summary of alleged misconduct of the peace officer ~~[-]~~ and any other peace officer whom the law enforcement agency is investigating in connection with the complaint or allegation;
- (c) The date, time and place of the interrogation or hearing;
- (d) The name and rank of the officer in charge of the investigation and the officers who will conduct any interrogation ~~[-]~~ or hearing;
- (e) The name of any other person who will be present at any interrogation or hearing; and
- (f) A statement setting forth the provisions of subsection 1 of NRS 289.080.

3. The law enforcement agency shall:

- (a) Interrogate the peace officer during the peace officer's regular working hours, if reasonably practicable, or [compensate the peace officer for that time based on the peace officer's regular wages if no charges arise from the interrogation.] revise the peace officer's work schedule to allow any time that is required for the interrogation or for any hearing to be deemed a part of the peace officer's regular working hours. Any such time must be calculated based on the peace officer's regular wages for his or her regularly scheduled working hours. If the peace officer is not interrogated during his or her regular working hours or if his or her work schedule is not revised pursuant to this paragraph and the law enforcement agency notifies the peace officer to appear at a time when he or she is off duty, the peace officer must be compensated for appearing at the interrogation based

on the wages and any other benefits the peace officer is entitled to receive for appearing at the time set forth in the notice.

(b) Immediately before ~~the~~ any interrogation or hearing begins, inform the peace officer orally on the record that:

(1) The peace officer is required to provide a statement and answer questions related to the peace officer's alleged misconduct; and

(2) If the peace officer fails to provide such a statement or to answer any such questions, the agency may charge the peace officer with insubordination.

(c) ~~((b))~~ Limit the scope of the questions during the interrogation or hearing to the alleged misconduct of the peace officer. If any evidence is discovered during the course of an investigation or hearing which establishes or may establish any other possible misconduct engaged in by the peace officer, the law enforcement agency shall notify the peace officer of that fact and shall not conduct any further interrogation of the peace officer concerning the possible misconduct until a subsequent notice of that evidence and possible misconduct is provided to the peace officer pursuant to this chapter.

(d) ~~((c))~~ Allow the peace officer to explain an answer or refute a negative implication which results from questioning during an interrogation or hearing.

4. ~~If a peace officer is required to attend any interrogation, hearing or other administrative proceeding held relating to an investigation of the peace officer conducted pursuant to NRS 289.057 or any internal administrative grievance procedure conducted pursuant to NRS 289.020, the law enforcement agency shall:~~

~~(a) If the law enforcement agency interrogates the peace officer, interrogate the peace officer during the peace officer's regular working hours, if reasonably practicable; or~~

~~(b) Release the peace officer from his or her regular working hours the day before the interrogation, hearing or other administrative proceeding and compensate the peace officer for the day of the interrogation, hearing or other administrative proceeding based on the peace officer's regular wages.~~ provides a statement or answers a question relating to the alleged misconduct of a peace officer who is the subject of an investigation pursuant to NRS 289.057 after the peace officer is informed that failing to provide the statement or answer may result in punitive action against him or her, the statement or answer must not be used against the peace officer who provided the statement or answer in any subsequent criminal proceeding.

Sec. 2. ~~NRS 289.085 is hereby amended to read as follows:~~

~~289.085 1. If an arbitrator or court determines that evidence was obtained during an investigation of a peace officer concerning conduct that could result in punitive action in a manner which violates any provision of NRS 289.010 to 289.120, inclusive, and that such evidence may be~~

~~prejudicial to the peace officer, such evidence is inadmissible and the arbitrator or court shall exclude such evidence during any administrative proceeding commenced or civil action filed against the peace officer.~~

~~2. A person who intentionally, knowingly or willfully violates a provision of NRS 289.010 to 289.120, inclusive, during an investigation of a peace officer is liable for a civil penalty of not more than \$5,000 for each violation, payable to the peace officer, together with reasonable attorney's fees and costs.~~ (Deleted by amendment.)

Sec. 3. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 304.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 504.

SUMMARY—~~[Provides for the certification of]~~ **Makes various changes relating to** fire performers and apprentice fire performers. (BDR 42-885)

AN ACT relating to fire protection; ~~[prohibiting]~~ **codifying in statute the requirement in regulation that a person obtain a certificate of registration before acting as a fire performer; authorizing** a person ~~[from acting]~~ **to act** as a fire performer ~~[unless]~~ **if** the person holds a certificate of registration as ~~[a fire performer or]~~ **an** apprentice fire performer; providing for the application for and issuance of a certificate of registration as ~~[a fire performer or]~~ **an** apprentice fire performer; prohibiting an apprentice fire performer from acting as a fire performer without certain supervision; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Currently, regulations adopted by the State Fire Marshal, who is charged with enforcing all laws and adopting regulations relating to fire prevention, require a person to ~~[obtain from]~~ **apply to** the State Fire Marshal **for** a certificate of registration as a fire performer before entertaining or otherwise performing before an audience using an open flame. (NRS 477.030; NAC 477.630) Any person who knowingly violates any of those laws or regulations is guilty of a misdemeanor. (NRS 477.250)

This bill ~~[enacts similar provisions to replace]~~ **codifies in statute the requirements in** those regulations and adds requirements for both fire performers and apprentice fire performers. Under **section 5** of this bill, a person is prohibited from acting as a fire performer unless the person is the holder of a certificate of registration as a fire performer ~~[or]~~ **, as in existing regulation. Section 5 also authorizes a person to act as a fire performer if the person is the holder of a certificate of registration as an** apprentice

fire performer. **Section 5** authorizes the State Fire Marshal to issue either certificate to a person who is at least ~~14~~ 18 years of age, submits an application that includes a description of the person's experience as a fire performer or apprentice fire performer and all safety precautions used by the applicant while acting as a fire performer or apprentice fire performer, and pays an application fee ~~14~~ prescribed by regulations adopted by the State Fire Marshal. **Section 5** also provides for the ~~annual~~ renewal of each such certificate.

Section 6 of this bill prohibits an apprentice fire performer from acting as a fire performer unless the apprentice is directly supervised at all times by a registered fire performer who is at least ~~18~~ 21 years of age. The person supervising must ensure that the apprentice fire performer safely handles and operates any equipment and complies with all applicable laws relating to acting as a fire performer.

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

Section 1. Chapter 477 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.

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

Sec. 3. *"Apprentice fire performer" means a person who is issued a certificate of registration as an apprentice fire performer pursuant to section 5 of this act.*

Sec. 4. *"Fire performer" means an entertainer or other performer who performs for an audience using an open flame.*

Sec. 5. 1. *A person shall not act as a fire performer unless the person is the holder of a certificate of registration as a fire performer or apprentice fire performer issued by the State Fire Marshal pursuant to this section.*

2. *An applicant for a certificate of registration as a fire performer or apprentice fire performer must:*

- (a) Be a natural person who is at least ~~14~~ 18 years of age;*
- (b) Make a written notarized application to the State Fire Marshal on a form provided by the State Fire Marshal;*
- (c) Submit to the State Fire Marshal a resume setting forth the experience of the applicant as a fire performer or apprentice fire performer and a description of all safety precautions used by the applicant while acting as a fire performer or apprentice fire performer; and*
- (d) Pay an application fee ~~not to exceed \$27.50.~~ in an amount prescribed by regulations adopted by the State Fire Marshal.*

3. *The State Fire Marshal may:*

(a) Issue to any person who applies for either certificate pursuant to subsection 2 a certificate of registration as a fire performer or apprentice fire performer; and

(b) Renew a certificate of registration as a fire performer or apprentice fire performer to any person who applies for a renewal in a manner specified by the State Fire Marshal and pays a renewal fee ~~not to exceed \$27.50.~~ in an amount prescribed by regulations adopted by the State Fire Marshal.

4. A certificate of registration as a fire performer or apprentice fire performer is valid for ~~[1 year after the date it is issued.]~~ the period prescribed by regulations adopted by the State Fire Marshal.

Sec. 6. 1. An apprentice fire performer may not act as a fire performer unless, at all times while the apprentice fire performer is acting as a fire performer, the apprentice fire performer is directly supervised by a person who:

(a) Is at least ~~18~~ 21 years of age; and

(b) Is the holder of a certificate of registration as a fire performer issued pursuant to section 5 of this act.

2. While an apprentice fire performer is acting as a fire performer, the fire performer who is directly supervising the apprentice fire performer shall ensure that the apprentice fire performer:

(a) Safely handles and operates any equipment used by the apprentice fire performer; and

(b) Complies with all applicable laws and regulations concerning acting as a fire performer.

Sec. 7. 1. In addition to any other requirements set forth in sections 2 to 8, inclusive, of this act, an applicant for the issuance or renewal of a certificate of registration pursuant to section 5 of this act shall:

(a) Include the social security number of the applicant in the application submitted to the State Fire Marshal.

(b) Submit to the State Fire Marshal the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.

2. The State Fire Marshal shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the certificate of registration; or

(b) A separate form prescribed by the State Fire Marshal.

3. A certificate of registration may not be issued or renewed by the State Fire Marshal pursuant to section 5 of this act if the applicant:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or

other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the State Fire Marshal shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

Sec. 8. 1. *If the State Fire Marshal receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a certificate of registration as a fire performer or apprentice fire performer, the State Fire Marshal shall deem the certificate of registration issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the State Fire Marshal receives a letter issued to the holder of the certificate of registration by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the certificate of registration has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.*

2. The State Fire Marshal shall reinstate a certificate of registration as a fire performer or apprentice fire performer that has been suspended by a district court pursuant to NRS 425.540 if the State Fire Marshal receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose certificate of registration was suspended stating that the person whose certificate of registration was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 9. On or before December 30, 2011, the State Fire Marshal shall adopt any regulations necessary to carry out the amendatory provisions of this act.

Sec. 10. 1. This act becomes effective upon passage and approval for the purpose of adopting regulations and on January 1, 2012, for all other purposes.

2. Sections 7 and 8 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or more children,
➡ are repealed by the Congress of the United States.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 334.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 394.

SUMMARY—Exempts from the limitation on the total proposed budgetary expenditures for a biennium any expenditures ~~for the purpose of satisfying an unfunded federal mandate,~~ **from the State Distributive School Account in the State General Fund.** (BDR 31-1009)

AN ACT relating to state financial administration; exempting from the limitation on the proposed expenditures of the Executive Department of the State Government any expenditures ~~for the purpose of satisfying an unfunded federal mandate,~~ **from the State Distributive School Account in the State General Fund;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Chief of the Budget Division of the Department of Administration prepares a proposed budget for the Executive Department of the State Government. (NRS 353.185) The proposed total expenditures in this proposed budget, excluding proposed expenditures for construction and expenditures that reduce any unfunded accrued liability of the State Retirees' Health and Welfare Benefits Fund, cannot exceed a certain amount. (NRS 353.213) This bill provides that expenditures ~~to satisfy any unfunded federal mandate,~~ **from the State Distributive School Account in the State General Fund** are also excluded from the limitation on proposed total expenditures.

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

Section 1. NRS 353.213 is hereby amended to read as follows:

353.213 1. In preparing the proposed budget for the Executive Department of the State Government for each biennium, the Chief shall not exceed the limit upon total proposed expenditures for purposes other than construction ~~for satisfying an unfunded federal mandate,~~ and reducing any unfunded accrued liability of the State Retirees' Health and Welfare Benefits Fund created by NRS 287.0436 from the State General Fund calculated pursuant to this section. The base for each biennium is the total expenditure, for the purposes limited, from the State General Fund appropriated and authorized by the Legislature for the biennium beginning on July 1, 1975.

2. The limit for each biennium is calculated as follows:

(a) The amount of expenditure constituting the base is multiplied by the percentage of change in population for the current biennium from the population on July 1, 1974, and this product is added to or subtracted from the amount of expenditure constituting the base.

(b) The amount calculated pursuant to paragraph (a) is multiplied by the percentage of inflation or deflation, and this product is added to or subtracted from the amount calculated pursuant to paragraph (a).

(c) Subject to the limitations of this paragraph:

(1) If the amount resulting from the calculations pursuant to paragraphs (a) and (b) represents a net increase over the base biennium, the Chief may increase the proposed expenditure accordingly.

(2) If the amount represents a net decrease, the Chief shall decrease the proposed expenditure accordingly.

(3) If the amount is the same as in the base biennium, that amount is the limit of permissible proposed expenditure.

3. The proposed budget for each fiscal year of the biennium must provide for a reserve of:

(a) Not less than 5 percent or more than 10 percent of the total of all proposed appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year; and

(b) Commencing with the proposed budget for the period that begins on July 1, 2011, and ends on June 30, 2013, 1 percent of the total anticipated revenue for each of the 2 fiscal years of the biennium for which the budget is proposed, as projected by the Economic Forum for each of those fiscal years pursuant to paragraph (d) of subsection 1 of NRS 353.228 and as adjusted by any changes or adjustments to state revenue that are recommended in the proposed budget for those fiscal years.

4. The revised estimate of population for the State issued by the United States Department of Commerce as of July 1, 1974, must be used, and the Governor shall certify the percentage of increase or decrease in population for each succeeding biennium. The Consumer Price Index published by the United States Department of Labor for July preceding each biennium must be used in determining the percentage of inflation or deflation.

5. The Chief may exceed the limit to the extent necessary to meet situations in which there is a threat to life or property.

6. As used in this section ~~1~~, “unfunded”:

(a) **“Expenditure” does not include any expenditure from the State Distributive School Account in the State General Fund.**

(b) **“Unfunded accrued liability” means a liability with an actuarially determined value which exceeds the value of the assets in the fund from which payments are made to discharge the liability.**

~~1 (b) “Unfunded federal mandate” means any expenditure~~

~~(1) Made for the purpose of satisfying the requirements of a federal law or regulation enacted on or after July 1, 1974; and~~

~~(2) For which money was not provided by the Federal Government in an amount necessary to cover the cost of satisfying the requirements of the federal law or regulation.~~

Sec. 2. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 365.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 524.

AN ACT relating to the Public Employees' Benefits Program; revising the procedure for the Board of the Public Employees' Benefits Program to contract with a vendor; authorizing the Board to ~~appoint~~ **engage the services of** an attorney who specializes in health plans and health care law; ~~eliminating~~ **revising** the ~~requirement~~ **provisions of certain contracts entered into by the Board** that the Commissioner of Insurance **must** approve ; ~~certain contracts entered into by the Board;~~ making various changes concerning the Executive Officer of the Board; revising provisions governing the authority for certain groups to leave the Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Public Employees' Benefits Program and the Board of the Public Employees' Benefits Program to administer the Program. (NRS 287.0402-287.049) **Section 1** of this bill establishes a procedure to allow the Board to participate in the selection of certain vendors. ~~Section 2 of this bill revises the procedure for annual reviews of the performance of the Executive Officer of the Board. Section 4 of this bill eliminates the requirement that the Governor approve the employment of the Executive Officer.~~ **Section 5** of this bill allows the Board to ~~appoint~~ **engage the services of** an attorney who specializes in health plans and health care law. **Section 6** of this bill ~~eliminates~~ **revises** the ~~requirement~~ **provisions of certain contracts entered into by the Board** that the Commissioner of Insurance **must** approve . ~~certain contracts entered into by the Board.~~ **Section 7** of this bill revises the provisions governing the authority for groups of 300 or more employees leaving the Program to secure insurance from another source. **Section 8** of this bill authorizes the Executive Officer to observe the activities of a committee formed to evaluate contracts awarded on behalf of the Board.

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

Section 1. Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Board shall review any recommendation for awarding a contract submitted to the Board pursuant to NRS 333.335. The Board may:

(a) Approve the recommendation of the Chief of the Purchasing Division of the Department of Administration or of a committee appointed to evaluate a proposal and award the contract as recommended; or

(b) Schedule a separate public meeting to award the contract.

2. If the Board conducts a separate meeting pursuant to paragraph (b) of subsection 1, it ~~may interview representatives of any one or more of the proposed vendors and~~ shall ~~award~~ :

(a) Disclose the review by the Board of the vendors whose proposals scored the highest;

(b) Identify the criteria it will use to evaluate the high scoring proposals;

(c) Consider the ranking given to a proposal by a committee appointed to evaluate the proposal, if any;

(d) With regard to a request for proposals, evaluate the responses of vendors interviewed by the Board; and

(e) Award the contract based on the best interests of the State.

3. The Board is not bound by the recommendation of the Chief of the Purchasing Division or the committee appointed to evaluate the proposal.

Sec. 2. NRS 287.0402 is hereby amended to read as follows:

287.0402 As used in NRS 287.0402 to 287.049, inclusive, **and section 1 of this act**, unless the context otherwise requires, the words and terms defined in NRS 287.0404 to 287.04064, inclusive, have the meanings ascribed to them in those sections.

Sec. 3. ~~NRS 287.0415 is hereby amended to read as follows:~~

~~287.0415 1. A majority of the members of the Board constitutes a quorum for the transaction of business.~~

~~2. The Governor shall designate one of the members of the Board to serve as the Chair.~~

~~3. The Board shall meet at least once every calendar quarter and at other times upon the call of the Chair.~~

~~4. The Board may meet in closed session:~~

~~(a) To discuss matters relating to personnel;~~

~~(b) With investment counsel to plan future investments or establish investment objectives and policies;~~

~~(c) With legal counsel to receive advice upon claims or suits by or against the Program;~~

~~(d) To prepare a request for a proposal or other solicitation for bids to be released by the Board for competitive bidding; or~~

~~(e) As otherwise provided pursuant to chapter 241 of NRS.~~

~~5. The Board may conduct an annual review of the performance of the Executive Officer. After receiving public comment during an open meeting, the Board may meet in closed session to conduct the review. The Board~~

~~shall conduct any vote concerning the review after returning to an open meeting. The provisions of NRS 241.033 do not apply to the annual review of the performance of the Executive Officer.~~

~~6. Except as otherwise provided in this subsection, if the Board causes a meeting to be transcribed by a court reporter who is certified pursuant to chapter 656 of NRS, the Board shall post a transcript of the meeting on its Internet website not later than 30 days after the meeting. The Board shall post a transcript of a closed session of the Board on its Internet website when the Board determines that the matters discussed no longer require confidentiality and, if applicable, the person whose character, conduct, competence or health was discussed in the closed session has consented to the posting.~~

~~[6.] 7. The Board may appoint such advisory committees as it deems necessary to assist the Board in carrying out its duties pursuant to NRS 287.0402 to 287.049, inclusive.~~

~~[7.] 8. As used in this section, "request for a proposal" has the meaning ascribed to it in subsection 8 of NRS 333.020.] (Deleted by amendment.)~~

Sec. 4. ~~[NRS 287.0424 is hereby amended to read as follows:~~

~~287.0424 1. The Board shall employ an Executive Officer.], subject to the approval of the Governor.] The Executive Officer is in the unclassified service of the State and serves at the pleasure of the Board. The Board may delegate to the Executive Officer the exercise or discharge of any power, duty or function vested in or imposed upon the Board.~~

~~2. The Executive Officer must:~~

~~(a) Be a graduate of a 4-year college or university with a degree in business administration or public administration or an equivalent degree, as determined by the Board; and~~

~~(b) Possess at least 5 years' experience in a high-level administrative or executive capacity in the field of insurance, management of employees' benefits or risk management, including, without limitation, responsibility for a variety of administrative functions such as personnel, accounting, data processing or the structuring of insurance programs.~~

~~3. Except as otherwise provided in NRS 284.143, the Executive Officer shall not pursue any other business or occupation or perform the duties of any other office of profit during normal office hours unless on leave approved in advance. The Executive Officer shall not participate in any business enterprise or investment:~~

~~(a) With any vendor or provider to the Program; or~~

~~(b) In real or personal property if the Program owns or has a direct financial interest in that enterprise or property.~~

~~4. The Executive Officer is entitled to an annual salary fixed by the Board. The salary of the Executive Officer is exempt from the limitations set forth in NRS 281.123.] (Deleted by amendment.)~~

Sec. 5. NRS 287.043 is hereby amended to read as follows:

287.043 1. The Board shall:

(a) Establish and carry out a program to be known as the Public Employees' Benefits Program which:

(1) Must include a program relating to group life, accident or health insurance, or any combination of these; and

(2) May include:

(I) A plan that offers flexibility in benefits, and for which the rates must be based only on the experience of the participants in the plan and not in combination with the experience of participants in any other plan offered under the Program; or

(II) A program to reduce taxable compensation or other forms of compensation other than deferred compensation,
➤ for the benefit of all state officers and employees and other persons who participate in the Program.

(b) Ensure that the Program is funded on an actuarially sound basis and operated in accordance with sound insurance and business practices.

2. In establishing and carrying out the Program, the Board shall:

(a) For the purpose of establishing actuarial data to determine rates and coverage for active and retired state officers and employees and their dependents, commingle the claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage into a single risk pool.

(b) Except as otherwise provided in this paragraph, negotiate and contract pursuant to paragraph (a) of subsection 1 of NRS 287.025 with the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that wishes to obtain exclusive group insurance for all of its active and retired officers and employees and their dependents, except as otherwise provided in sub-subparagraph (III) of subparagraph (2) of paragraph (h), by participation in the Program. The Board shall establish separate rates and coverage for active and retired officers and employees of those local governmental agencies and their dependents based on actuarial reports that commingle the claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage into a single risk pool.

(c) Except as otherwise provided in paragraph (d), provide public notice in writing of any proposed changes in rates or coverage to each participating public agency that may be affected by the changes. Notice must be provided at least 30 days before the effective date of the changes.

(d) If a proposed change is a change in the premium or contribution charged for, or coverage of, health insurance, provide written notice of the proposed change to all participants in the Program. The notice must be provided at least 30 days before the date on which a participant in the Program is required to select or change the participant's policy of health insurance.

(e) Purchase policies of life, accident or health insurance, or any combination of these, or, if applicable, a program to reduce the amount of taxable compensation pursuant to 26 U.S.C. § 125, from any company qualified to do business in this State or provide similar coverage through a plan of self-insurance established pursuant to NRS 287.0433 for the benefit of all eligible participants in the Program.

(f) Except as otherwise provided in this title, develop and establish other employee benefits as necessary.

(g) Investigate and approve or disapprove any contract proposed pursuant to NRS 287.0479.

(h) Adopt such regulations and perform such other duties as are necessary to carry out the provisions of NRS 287.010 to 287.245, inclusive, including, without limitation, the establishment of:

(1) Fees for applications for participation in the Program and for the late payment of premiums or contributions;

(2) Conditions for entry and reentry into and exit from the Program by local governmental agencies pursuant to paragraph (a) of subsection 1 of NRS 287.025, which:

(I) Must include a minimum period of 4 years of participation for entry into the Program;

(II) Must include a requirement that participation of any retired officers and employees of the local governmental agency whose last continuous period of enrollment with the Program began after November 30, 2008, terminates upon termination of the local governmental agency's contract with the Program; and

(III) May allow for the exclusion of active and retired officers and employees of the local governmental agency who are eligible for health coverage from a health and welfare plan or trust that arose out of collective bargaining under chapter 288 of NRS or a trust established pursuant to 29 U.S.C. § 186;

(3) Procedures by which a group of participants in the Program may leave the Program pursuant to NRS 287.0479 and conditions and procedures for reentry into the Program by those participants;

(4) Specific procedures for the determination of contested claims;

(5) Procedures for review and notification of the termination of coverage of persons pursuant to paragraph (b) of subsection 4 of NRS 287.023; and

(6) Procedures for the payments that are required to be made pursuant to paragraph (b) of subsection 4 of NRS 287.023.

(i) Appoint an independent certified public accountant. The accountant shall:

(1) Provide an annual audit of the Program; and

(2) Report to the Board and the Interim Retirement and Benefits Committee of the Legislature created pursuant to NRS 218E.420.

(j) Appoint an attorney who specializes in employee benefits. The attorney shall:

(1) Perform a biennial review of the Program to determine whether the Program complies with federal and state laws relating to taxes and employee benefits; and

(2) Report to the Board and the Interim Retirement and Benefits Committee of the Legislature created pursuant to NRS 218E.420.

~~† (k) Appoint an attorney who specializes in health plans and health care law. The attorney shall provide legal services to the Board.~~

3. The Board shall submit an annual report regarding the administration and operation of the Program to the Director of the Legislative Counsel Bureau for transmittal to the appropriate committees of the Legislature, or to the Legislative Commission when the Legislature is not in regular session, for acceptance or rejection not more than 6 months before the Board establishes rates and coverage for participants for the following plan year. The report must include, without limitation:

(a) Detailed financial results for the Program for the preceding plan year, including, without limitation, identification of the sources of revenue for the Program and a detailed accounting of expenses which are segregated by each type of benefit offered by the Program, and administrative costs. The results must be provided separately concerning:

(1) Participants who are active and retired state officers and employees and their dependents;

(2) All participants in the Program other than those described in subparagraph (1); and

(3) Within the groups described in subparagraphs (1) and (2), active participants, retired participants for which the Program provides primary health insurance coverage and retired participants in the Program who are provided coverage for medical or hospital service, or both, by the Health Insurance for the Aged Act, 42 U.S.C. §§ 1395 et seq., or a plan that provides similar coverage.

(b) An assessment of actuarial accuracy and reserves for the current plan year and the immediately preceding plan year.

(c) A summary of the plan design for the current plan year, including, without limitation, information regarding rates and any changes in the vendors with which the Program has entered into contracts, and a comparison of the plan design for the current plan year to the plan design for the immediately preceding plan year. The information regarding rates provided pursuant to this paragraph must set forth the costs for participation in the Program paid by participants and employers on a monthly basis.

(d) A description of all written communications provided generally to all participants by the Program during the preceding plan year.

(e) A discussion of activities of the Board concerning purchasing coalitions.

4. The Board may use any services provided to state agencies and shall use the services of the Purchasing Division of the Department of Administration to establish and carry out the Program.

5. **The Board may engage the services of an attorney who specializes in health plans and health care law as necessary to assist in carrying out the Program.**

6. The Board may make recommendations to the Legislature concerning legislation that it deems necessary and appropriate regarding the Program.

~~6.7~~ 7. A participating public agency is not liable for any obligation of the Program other than indemnification of the Board and its employees against liability relating to the administration of the Program, subject to the limitations specified in NRS 41.0349.

~~7.7~~ 8. As used in this section, "employee benefits" includes any form of compensation provided to a public employee except federal benefits, wages earned, legal holidays, deferred compensation and benefits available pursuant to chapter 286 of NRS.

Sec. 6. NRS 287.0434 is hereby amended to read as follows:

287.0434 The Board may:

1. Use its assets only to pay the expenses of health care for its members and covered dependents, to pay its employees' salaries and to pay administrative and other expenses.

2. Enter into contracts relating to the administration of the Program, including, without limitation, contracts with licensed administrators and qualified actuaries. Each such contract with a licensed administrator:

(a) Must be submitted to the Commissioner of Insurance not less than 30 days before the date on which the contract is to become effective for approval as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. **licensing and fiscal status of the licensed administrator and status of any legal or administrative actions in this State against the licensed administrator that may impair his or her ability to provide the services in the contract.**

(b) Does not become effective unless approved by the Commissioner.

(c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.

3. Enter into contracts with physicians, surgeons, hospitals, health maintenance organizations and rehabilitative facilities for medical, surgical and rehabilitative care and the evaluation, treatment and nursing care of members and covered dependents. The Board shall not enter into a contract pursuant to this subsection unless:

(a) Provision is made by the Board to offer all the services specified in the request for proposals, either by a health maintenance organization or through separate action of the Board.

(b) The rates set forth in the contract are based on:

(1) For active and retired state officers and employees and their dependents, the commingled claims experience of such active and retired

officers and employees and their dependents for whom the Program provides primary health insurance coverage in a single risk pool; and

(2) For active and retired officers and employees of public agencies enumerated in NRS 287.010 that contract with the Program to obtain group insurance by participation in the Program and their dependents, the commingled claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage in a single risk pool.

4. Enter into contracts for the services of other experts and specialists as required by the Program.

5. Charge and collect from an insurer, health maintenance organization, organization for dental care or nonprofit medical service corporation, a fee for the actual expenses incurred by the Board or a participating public agency in administering a plan of insurance offered by that insurer, organization or corporation.

6. Charge and collect the amount due from local governments pursuant to paragraph (b) of subsection 4 of NRS 287.023. If the payment of a local government pursuant to that provision is delinquent by more than 90 days, the Board shall notify the Executive Director of the Department of Taxation pursuant to NRS 354.671.

Sec. 7. NRS 287.0479 is hereby amended to read as follows:

287.0479 1. If approved by the Board pursuant to this section, a group of not less than 300 active state officers or employees ~~for~~ and retired state officers or employees ~~for, or~~ any combination thereof, ~~both,~~ that participate in the Program may leave the Program and secure life, accident or health insurance, or any combination thereof, for the group from an:

(a) Insurer that is authorized by the Commissioner of Insurance to provide such insurance; or

(b) Employee benefit plan, as defined in 29 U.S.C. § 1002(3), that has been approved by the Board. The Board may approve an employee benefit plan unless the Board finds that the plan is not operated pursuant to such sound accounting and financial management practices as to ensure that the group will continue to receive adequate benefits.

2. Before entering into a contract with the insurer or approved employee benefit plan, the group shall submit the proposed contract to the Board for approval. The Board may approve the contract unless the departure of the group from the Program would cause an increase of more than 5 percent in the costs of premiums or contributions for the remaining participants in the Program. In determining whether to approve a proposed contract, the Board shall follow the criteria set forth in the regulations adopted by the Board pursuant to subsection ~~4~~ 5 and may consider the cumulative impact of groups that have left or are proposing to leave the Program. Except as otherwise provided in this section, the Board has discretion in determining whether to approve a contract. If the Board approves a proposed contract pursuant to this subsection, the group that submitted the proposed contract is

not authorized to leave the Program until 120 days after the date on which the Board approves the proposed contract.

3. ***The Board shall not approve a proposed contract between an insurer or approved employee benefit plan and a group pursuant to subsection 2 unless:***

(a) The group is organized for reasons other than acquiring insurance;

(b) The members of the group share job definitions, classifications or employers, or are otherwise members of a job-related group formed for reasons other than acquiring insurance;

(c) The group has legal authority to enter into contracts and bind its members, meets the requirements of state and federal law concerning nondiscrimination, and has the ability to purchase insurance; and

(d) The group includes all active state officers and employees who satisfy the requirements of paragraph (b) for inclusion in the group and all retired state officers and employees who satisfied those requirements at the time of their retirement.

4. The Board shall disburse periodically to the insurer or employee benefit plan with which a group contracts pursuant to this section the total amount set forth in the contract for premiums or contributions for the members of the group for that period but not to exceed the amount appropriated to or authorized for the participating state agency that employs the members of the group for premiums or contributions for the members of the group for that period, after deducting any administrative costs related to the group.

~~{4.}~~ 5. The Board shall adopt regulations establishing the criteria pursuant to which the Board will approve proposed contracts pursuant to subsection 2.

Sec. 8. NRS 333.335 is hereby amended to read as follows:

333.335 1. Each proposal must be evaluated by:

(a) The chief of the using agency, or a committee appointed by the chief of the using agency in accordance with the regulations adopted pursuant to NRS 333.135, if the proposal is for a using agency; or

(b) The Chief of the Purchasing Division, or a committee appointed by the Chief in accordance with the regulations adopted pursuant to NRS 333.135, if the Chief is responsible for administering the proposal.

2. A committee appointed pursuant to subsection 1 must consist of not less than two members. A majority of the members of the committee must be state officers or employees. The committee may include persons who are not state officers or employees and possess expert knowledge or special expertise that the chief of the using agency or the Chief of the Purchasing Division determines is necessary to evaluate a proposal. The members of the committee are not entitled to compensation for their service on the committee, except that members of the committee who are state officers or employees are entitled to receive their salaries as state officers and employees. No member of the committee may have a financial interest in a

proposal. ***If the contract is being awarded for the Public Employees' Benefits Program, the Executive Officer of the Program may observe the activities of the committee, but may not vote or otherwise participate in the evaluation.***

3. In making an award, the chief of the using agency, the Chief of the Purchasing Division or each member of the committee, if a committee is established, shall consider and assign a score for each of the following factors for determining whether the proposal is in the best interests of the State of Nevada:

(a) The experience and financial stability of the person submitting the proposal;

(b) Whether the proposal complies with the requirements of the request for proposals as prescribed in NRS 333.311;

(c) The price of the proposal; and

(d) Any other factor disclosed in the request for proposals.

4. The chief of the using agency, the Chief of the Purchasing Division or the committee, if a committee is established, shall determine the relative weight of each factor set forth in subsection 3 before a request for proposals is advertised. The weight of each factor must not be disclosed before the date proposals are required to be submitted.

5. ~~{The}~~ ***Except as otherwise provided in this subsection, the*** chief of the using agency, the Chief of the Purchasing Division or the committee, if a committee is established, shall award the contract based on the best interests of the State, as determined by the total scores assigned pursuant to subsection 3, and is not required to accept the lowest-priced proposal. ***If the contract is being awarded for the Public Employees' Benefits Program, the Chief of the Purchasing Division or the committee, if a committee is established, shall submit recommendations for awarding the contract to the Board for the Public Employees' Benefits Program, which shall award the contract in accordance with section 1 of this act.***

6. Except as otherwise provided in NRS 239.0115, each proposal evaluated pursuant to the provisions of this section is confidential and may not be disclosed until the contract is awarded.

Sec. 9. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 388.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 532.

AN ACT relating to real property; ~~requiring the disclosure form required to be provided by the seller of residential property to include only certain~~

~~information related to the residential property; prohibiting the unit owners' association of a common interest community from charging a unit's owner any costs of collecting a past due obligation other than costs related to the recording of certain documents; revising provisions governing the foreclosure of an association's lien based on a fine or penalty for a violation of the governing documents of the common interest community;~~ **revising provisions governing the exercise of the power of sale under a deed of trust concerning owner-occupied real property; providing civil remedies for failure to comply with certain provisions governing the exercise of the power of sale under a deed of trust concerning owner-occupied real property; providing civil penalties;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~Existing law requires the seller of residential property to serve on the purchaser or the purchaser's agent a completed disclosure form regarding the residential property. (NRS 113.130) Section 1 of this bill requires the disclosure to include only information related to the residential property and the homeowners' association for the residential property, if any.~~

~~Existing law authorizes the unit owners' association of a common interest community to charge reasonable fees to cover the costs of collecting a past due financial obligation owed by a unit's owner and requires the Commission for Common Interest Communities and Condominium Hotels to adopt regulations establishing the amount of those fees. (NRS 116.310313) Section 2 of this bill prohibits an association from charging any costs of collecting a past due financial obligation to a unit's owner other than certain recording fees.~~

~~Existing law prohibits the unit owners' association of a common interest community from foreclosing on a unit based on an unpaid fine or penalty for a violation of the governing documents unless: (1) the violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common interest community; or (2) the penalty was imposed for failure to adhere to a construction schedule. (NRS 116.31162) Section 3 of this bill removes the exceptions to the power to foreclose on a unit based on an unpaid fine so that the association is prohibited from foreclosing on a unit based on any unpaid fine or penalty for a violation of the governing documents.~~

Under existing law, the trustee under a deed of trust concerning owner-occupied housing has the power to sell the property to which the deed of trust applies, subject to certain restrictions. (NRS 107.080, 107.085, 107.086) Sections 4-22 of this bill establish additional restrictions on the trustee's power of sale with respect to owner-occupied housing which are based on Senate Bill No. 729 of the current session of the California Legislature, as amended. Section 23 of this bill provides that these additional restrictions apply only to a notice of default and election to sell which is recorded on or after July 1, 2011.

Section 13 prohibits the recording of a notice of default and election to sell unless reasonable and good faith efforts have been made to evaluate the borrower for all available alternatives to the exercise of the trustee's power of sale. Section 14 prohibits the recording of a notice of default and election to sell until the trustee, beneficiary or authorized agent complies with certain requirements regarding contact with, or attempts to contact, the borrower. Under section 15, if an eligible borrower requests, either orally or in writing, a loan modification, a notice of default and election to sell may not be recorded unless the borrower's application has been reviewed in good faith and a decision has been rendered on that application. Sections 17 and 19 require a declaration of compliance to be recorded with the notice of default and election to sell and section 17 provides a form for that declaration. Section 18: (1) authorizes a borrower to bring a civil action to enjoin a trustee's sale, to void a trustee's sale and to recover a specified amount of damages and reasonable attorney's fee and costs under certain circumstances; (2) authorizes the Attorney General to obtain civil penalties for violations of the provisions of this bill; and (3) provides that a violation of the provisions of this bill by a person which is licensed in this State is deemed to be a violation of the law governing that license.

Additionally, section 19: (1) requires a life-of-loan accounting containing certain information to be included with the copy of the notice of default and election to sell which is mailed to the borrower; and (2) prohibits the recording of a notice of sale if the borrower has entered into a contract to sell the property which has been approved by the lender or the borrower has requested approval of such a contract but the lender has not yet approved or disapproved the sale.

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

~~Section 1. [NRS 113.130 is hereby amended to read as follows:~~

~~113.130 1. Except as otherwise provided in subsections 2 and 3:~~

~~(a) At least 10 days before residential property is conveyed to a purchaser:~~

~~(1) The seller shall complete a disclosure form regarding the residential property [;] which must include only information specifically and directly related to the residential property and, if the residential property is in a common interest community, the unit owners' association for that common interest community; and~~

~~(2) The seller or the seller's agent shall serve the purchaser or the purchaser's agent with the completed disclosure form.~~

~~(b) If, after service of the completed disclosure form but before conveyance of the property to the purchaser, a seller or the seller's agent discovers a new defect in the residential property that was not identified on the completed disclosure form or discovers that a defect identified on the completed disclosure form has become worse than was indicated on the form,~~

~~the seller or the seller's agent shall inform the purchaser or the purchaser's agent of that fact, in writing, as soon as practicable after the discovery of that fact but in no event later than the conveyance of the property to the purchaser. If the seller does not agree to repair or replace the defect, the purchaser may:~~

~~(1) Rescind the agreement to purchase the property; or~~

~~(2) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.~~

~~2. Subsection 1 does not apply to a sale or intended sale of residential property:~~

~~(a) By foreclosure pursuant to chapter 107 of NRS;~~

~~(b) Between any co-owners of the property, spouses or persons related within the third degree of consanguinity;~~

~~(c) Which is the first sale of a residence that was constructed by a licensed contractor;~~

~~(d) By a person who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who relocates to another county, state or country before title to the property is transferred to a purchaser.~~

~~3. A purchaser of residential property may waive any of the requirements of subsection 1. Any such waiver is effective only if it is made in a written document that is signed by the purchaser and notarized.~~

~~4. If a sale or intended sale of residential property is exempted from the requirements of subsection 1 pursuant to paragraph (a) of subsection 2, the trustee and the beneficiary of the deed of trust shall, not later than at the time of the conveyance of the property to the purchaser of the residential property, provide written notice to the purchaser of any defects in the property of which the trustee or beneficiary, respectively, is aware.~~

~~5. As used in this section:~~

~~(a) "Common interest community" has the meaning ascribed to it in NRS 116.021.~~

~~(b) "Unit owners' association" has the meaning ascribed to it in NRS 116.011. (Deleted by amendment.)~~

Sec. 2. ~~[NRS 116.310313 is hereby amended to read as follows:~~

~~116.310313 1. An association may not charge a unit's owner [reasonable fees to cover] the costs of collecting any past due obligation [.] except that an association may charge a unit's owner the fee charged to the association by a county recorder for the recording of any document related to the past due obligation and a reasonable recording fee. The Commission shall adopt regulations establishing the amount of the [fees] recording fee that an association may charge pursuant to this section.~~

~~2. The provisions of this section apply to any costs of collecting a past due obligation charged to a unit's owner, regardless of whether the past due obligation is collected by the association itself or by any person acting on~~

~~behalf of the association, including, without limitation, an officer or employee of the association, a community manager or a collection agency.~~

~~3. As used in this section:~~

~~(a) "Costs of collecting" includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a lien or lien rescission, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association charges a unit's owner for the investigation, enforcement or collection of a past due obligation. The term does not include any costs incurred by an association if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.~~

~~(b) "Obligation" means any assessment, fine, construction penalty, fee, charge or interest levied or imposed against a unit's owner pursuant to any provision of this chapter or the governing documents.~~ (Deleted by amendment.)

~~Sec. 3. [NRS 116.31162 is hereby amended to read as follows:~~

~~116.31162 — 1. Except as otherwise provided in subsection 4, in a condominium, in a planned community, in a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, or in a cooperative where the owner's interest in a unit is personal property under NRS 116.1105 and the declaration provides that a lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the association may foreclose its lien by sale after all of the following occur:~~

~~(a) The association has mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest, at his or her address, if known, and at the address of the unit, a notice of delinquent assessment which states the amount of the assessments and other sums which are due in accordance with subsection 1 of NRS 116.3116, a description of the unit against which the lien is imposed and the name of the record owner of the unit.~~

~~(b) Not less than 30 days after mailing the notice of delinquent assessment pursuant to paragraph (a), the association or other person conducting the sale has executed and caused to be recorded, with the county recorder of the county in which the common interest community or any part of it is situated, a notice of default and election to sell the unit to satisfy the lien which must contain the same information as the notice of delinquent assessment and which must also comply with the following:~~

~~(1) Describe the deficiency in payment;~~

~~(2) State the name and address of the person authorized by the association to enforce the lien by sale;~~

~~(3) Contain, in 14 point bold type, the following warning:~~

~~WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE!~~

~~(c) The unit's owner or his or her successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement, for 90 days following the recording of the notice of default and election to sell.~~

~~2. The notice of default and election to sell must be signed by the person designated in the declaration or by the association for that purpose or, if no one is designated, by the president of the association.~~

~~3. The period of 90 days begins on the first day following:~~

~~(a) The date on which the notice of default is recorded; or~~

~~(b) The date on which a copy of the notice of default is mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest at his or her address, if known, and at the address of the unit,~~

~~whichever date occurs later.~~

~~4. The association may not foreclose a lien by sale based on a fine or penalty for a violation of the governing documents of the association, unless:~~

~~(a) The violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common interest community; or~~

~~(b) The penalty is imposed for failure to adhere to a schedule required pursuant to NRS 116.310305.}}~~ **(Deleted by amendment.)**

Sec. 4. Chapter 107 of NRS is hereby amended by adding thereto the provisions set forth as sections 5 to 18, inclusive, of this act.

Sec. 5. As used in sections 5 to 18, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 6 to 11, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 6. "Authorized agent" means an agent designated by a trustee or beneficiary to act on behalf of the trustee or beneficiary.

Sec. 7. "Beneficiary" means the beneficiary of a deed of trust which concerns owner-occupied housing.

Sec. 8. "Borrower" means the grantor of a deed of trust which concerns owner-occupied housing or the person who holds the title of record.

Sec. 9. "Mortgage servicer" means a person responsible for the day-to-day management of a mortgage loan account, including, without limitation, collecting and crediting periodic loan payments, handling any escrow account or enforcing mortgage loan terms either as the holder of the loan note or on behalf of the holder of the loan note.

Sec. 10. "Owner-occupied housing" has the meaning ascribed to it in NRS 107.086.

Sec. 11. "Trustee" means the trustee under a deed of trust which concerns owner-occupied housing.

Sec. 12. 1. In addition to the requirements of NRS 107.085 and 107.086, the exercise of the power of sale pursuant to NRS 107.080 with

respect to any trust agreement which concerns owner-occupied housing is subject to the provisions of sections 5 to 18, inclusive, of this act.

2. The provisions of sections 5 to 18, inclusive, of this act apply only to a deed of trust under a trust agreement which concerns owner-occupied housing.

Sec. 13. 1. A trustee, beneficiary or authorized agent shall not record a notice of default and election to sell pursuant to subsection 3 of NRS 107.080 unless the trustee, beneficiary or authorized agent makes reasonable and good faith efforts to evaluate the borrower for all available loss mitigation options to avoid foreclosure.

2. This section must not be construed to require a trustee, beneficiary or authorized agent to act in a manner inconsistent with the terms of any applicable contract for the servicing of the loan at issue.

Sec. 14. 1. Except as otherwise provided in this section, a trustee, beneficiary or authorized agent shall not record a notice of default and election to sell pursuant to subsection 3 of NRS 107.080 until:

(a) Thirty days after initial contact is made with the borrower as required by subsection 2 or 30 days after satisfying the requirements of subsection 5; and

(b) If applicable, the requirements of section 15 of this act have been satisfied.

2. Except as otherwise provided in subsection 6, a beneficiary or its authorized agent shall contact the borrower in person or by telephone to assess the borrower's financial situation and to explore options to avoid the exercise of the trustee's power of sale pursuant to NRS 107.080. During the initial contact, the beneficiary or its authorized agent shall advise the borrower that he or she has the right to request a subsequent meeting and, if requested, the beneficiary or its authorized agent shall schedule the meeting to occur within 14 days. The assessment of the borrower's financial situation and the discussion of the options to avoid the exercise of the trustee's power of sale may occur during the initial contact or at the subsequent meeting scheduled for that purpose. In either case, the beneficiary or its authorized agent shall provide to the borrower the toll-free telephone number made available by the United States Department of Housing and Urban Development to find a housing counseling agency certified by that Department and, if the borrower may be eligible for a loan modification, a deadline for the borrower to submit an initial application for a loan modification which must not be earlier than 45 days after the initial contact.

3. The loss mitigation personnel of the beneficiary or its authorized agent may participate by telephone during any contact required by this section.

4. A borrower may designate, in writing, a housing counseling agency certified by the United States Department of Housing and Urban Development, an attorney or any other advisor to discuss with the

beneficiary or its authorized agent, on the borrower's behalf, the borrower's financial situation and options for the borrower to avoid the exercise of the trustee's power of sale. Contact with a person or agency designated by a borrower pursuant to this subsection satisfies the requirements of subsection 2. A loan modification or workout plan offered to a person or agency designated by a borrower pursuant to this subsection is subject to approval by the borrower.

5. Subject to the requirements of section 15 of this act and except as otherwise provided in subsection 6, even if the beneficiary or its authorized agent has not contacted the borrower as required by subsection 2, a notice of default may be recorded pursuant to subsection 3 of NRS 107.080 if the beneficiary or its authorized agent has taken all the following actions:

(a) The beneficiary or its authorized agent has mailed by registered or certified mail, return receipt requested and with postage prepaid, to the borrower a letter which includes:

(1) The toll-free telephone number made available by the United States Department of Housing and Urban Development to find a housing counseling agency certified by that Department; and

(2) If the borrower may be eligible for a loan modification, a deadline for the submission of an initial application for a loan modification which must not be earlier than 45 days after the date of the letter mailed pursuant to this paragraph or 45 days after the date on which the beneficiary or its authorized agent made initial contact with the borrower pursuant to subsection 2, whichever is earlier.

(b) After mailing the letter required by paragraph (a), the beneficiary or its authorized agent has attempted to contact the borrower by telephone at least 3 times at different hours and on different days. Telephone calls made pursuant to this paragraph must be made to the primary telephone number of the borrower which is on file with the beneficiary. The beneficiary or its authorized agent satisfies the requirements of this paragraph if it determines, after attempting contact pursuant to this paragraph, that the primary telephone number of the borrower on file and any secondary telephone numbers on file have been disconnected.

(c) If the borrower does not respond within 2 weeks after the beneficiary or its authorized agent has satisfied the requirements of paragraph (b), the beneficiary or its authorized agent has mailed to the borrower, by registered or certified mail, return receipt requested and with postage prepaid, a letter which includes the information required by paragraph (a).

(d) The beneficiary or its authorized agent provides a means for the borrower to contact the beneficiary or its authorized agent in a timely manner, including, without limitation, a toll-free telephone number that will provide access to a live representative during business hours.

(e) The beneficiary or its authorized agent posts a prominent link on its Internet website, if any, to the following information:

(1) Options that may be available to borrowers who are unable to afford their mortgage payments and who wish to avoid the exercise of the trustee's power of sale, and instructions to such borrowers advising them on steps to take to explore those options.

(2) A list of financial documents the borrower should collect and be prepared to present to the beneficiary or its authorized agent when discussing options for avoiding the exercise of the trustee's power of sale.

(3) A toll-free telephone number for borrowers who wish to discuss with the beneficiary or its authorized agent options for avoiding the exercise of the trustee's power of sale.

(4) The toll-free telephone number made available by the United States Department of Housing and Urban Development to find a housing counseling agency certified by that Department.

6. The requirements of subsections 1, 2 and 5 do not apply if the borrower:

(a) Has surrendered the property as evidenced by either a letter confirming the surrender or delivery of the keys to the property to the trustee, beneficiary or authorized agent;

(b) Has contracted with a person whose primary business is advising persons who have decided to leave their homes on how to extend the foreclosure process and avoid their contractual obligations to beneficiaries; or

(c) Has filed a petition pursuant to Title 11 of the United States Code and the bankruptcy court has not entered an order closing or dismissing the petition or granting relief from a stay of the trustee's sale.

Sec. 15. 1. Except as otherwise provided in this section, if an eligible borrower requests an application for a loan modification, either orally or in writing, not later than 90 days after the date on which the obligation became delinquent or not later than 45 days after the beneficiary or its authorized agent makes initial contact with the borrower pursuant to section 14 of this act, whichever is later, the trustee, beneficiary or authorized agent shall not record a notice of default and election to sell pursuant to subsection 3 of NRS 107.080 unless and until it has, in good faith, reviewed the application, rendered a decision on the application and sent the borrower a denial explanation letter as required by section 16 of this act.

2. If a borrower requests a loan modification, either orally or in writing, by the deadline described in subsection 1, but does not initially submit all the documentation or information the beneficiary or its authorized agent requires to consider the borrower for a loan modification, the beneficiary or its authorized agent shall provide the borrower with a written notice that:

(a) Lists any supplemental documentation or information required; and

(b) Includes the deadline for providing that documentation or information, which must not be earlier than 30 calendar days from the date on which the borrower receives the notice.

3. Except as otherwise provided in this subsection, if a borrower requests a loan modification, either orally or in writing, within 15 days after receiving a copy of the notice of default and election to sell as required by subsection 3 of NRS 107.080 and submits a completed application for a loan modification within 15 days after receiving application instructions from the mortgage servicer or any other application deadline communicated in writing by the mortgage servicer, whichever is later, the trustee, beneficiary or authorized agent shall not record a notice of sale pursuant to subsection 5 of NRS 107.080 until at least 10 business days after it has, in good faith, reviewed the application, rendered a decision on the application and sent the borrower a denial explanation letter in accordance with section 16 of this act. This subsection does not apply if a borrower applied for a loan modification before the notice of default and election to sell was recorded pursuant to subsection 3 of NRS 107.080 and the trustee, beneficiary or authorized agent satisfied the requirements of sections 16 and 17 of this act.

4. If the mortgage servicer has signed a Making Home Affordable Servicer Participation Agreement with the Federal National Mortgage Association or is otherwise required to review the borrower's loan under the guidelines of the federal Making Home Affordable Modification Program, compliance with applicable rules of that program regarding deadlines and timeframes for the borrower to submit and complete an application for a loan modification satisfy the requirements of this section while that program remains in effect.

5. The provisions of this section must not be construed:

(a) To require a mortgage servicer to perform services in a manner inconsistent with the terms of any applicable contract for the servicing of the loan at issue.

(b) To diminish in any way the obligations of a trustee, beneficiary or authorized agent that has signed a Making Home Affordable Servicer Participation Agreement with the Federal National Mortgage Association or is otherwise required to review a loan under the guidelines of the federal Making Home Affordable Modification Program.

6. The requirements of this section do not apply if:

(a) The borrower has surrendered the property as evidenced by either a letter confirming the surrender or delivery of the keys to the property to the trustee, beneficiary or authorized agent; or

(b) The beneficiary or its authorized agent does not offer any loan modifications.

Sec. 16. 1. If a borrower who requests a loan modification, either orally or in writing, is denied either a permanent loan modification or a trial period plan through the federal Making Home Affordable

Modification Program, the beneficiary or its authorized agent shall mail to the borrower by certified mail, not later than 10 business days following the denial, a denial explanation letter that states the reason or reasons for the denial.

2. If an application for a loan modification is denied because the borrower failed to provide all required documents or information by the applicable deadline set forth in subsection 2 of section 15 of this act, the denial explanation letter mailed pursuant to subsection 1 must:

(a) Indicate the deadline for the submission of the documents or information;

(b) List the documents or information that were not provided; and

(c) State that the application for a loan modification was denied for that reason.

3. If the borrower submits all required written application materials for a loan modification by the applicable deadline as set forth in subsection 2 or 3 of section 15 of this act and the application is denied, the denial explanation letter must include:

(a) The date on which the beneficiary or its authorized agent received the final materials required to complete its review of the borrower's application for a loan modification.

(b) The date on which the beneficiary or its authorized agent made the decision to deny the borrower's application for a loan modification.

(c) If the beneficiary or its authorized agent was required to consider the borrower for a loan modification under the guidelines of the federal Making Home Affordable Modification Program, the information required to be provided in the borrower notice described in the most current version of the Making Home Affordable Program Handbook for Servicers of Non-GSE Mortgages and any subsequent amendments thereto.

(d) The reason or reasons the borrower did not qualify for a loan modification, including, as applicable:

(1) If the denial is based on any investor guideline or restriction on loan modifications, a description of the guideline or restriction that resulted in the denial with a copy of the applicable provision in the pooling and servicing agreement or other controlling document evidencing that guideline or restriction;

(2) If the denial is based on the borrower's income or expenses, the income and expense figures used to determine the borrower's qualification for a loan modification, including, without limitation, the borrower's gross and net monthly income, property taxes and hazard insurance premiums;

(3) If the denial is based on a determination that the net present value of the income stream expected from the modified loan is not greater than the net present value of the income stream that is expected from the loan without modification, all the inputs, assumptions and calculations used to make that determination; and

(4) If applicable, a finding that the borrower was previously offered a loan modification but failed to successfully make payments under the terms of the loan modification.

(e) The name and contact information of the holder of the note for the borrower's loan.

(f) A description of alternatives to avoid the exercise of the trustee's sale other than a loan modification for which the borrower may be eligible, if any, including, without limitation, other loan modification programs, a short sale, a deed in lieu of a trustee's sale or a forbearance, and a list of the steps the borrower must take to be considered for those options. If the borrower has already been approved for another alternative to the exercise of the trustee's sale, information necessary to participate in or complete the alternative should be included.

(g) Contact information which the borrower may use to reach the beneficiary or its authorized agent to discuss the reasons for the denial of the loan modification.

4. If a borrower is denied a loan modification and the beneficiary or its authorized agent sends a denial explanation letter pursuant to this section, the trustee, beneficiary or authorized agent may record a notice of default and election to sell pursuant to subsection 3 of NRS 107.080 even if the borrower initiates a dispute relating to the denial and the dispute has not yet been resolved.

Sec. 17. 1. After satisfying the requirements of sections 15 and 16 of this act, as applicable, a mortgage servicer shall take the following action to initiate the process of exercising the trustee's power of sale pursuant to NRS 107.080:

(a) Compile in one place a record demonstrating that the initial contact required by subsection 2 of section 14 of this act has occurred or the requirements of subsection 5 of section 14 of this act have been satisfied. The record must:

(1) Include the dates and times of, and addresses and telephone numbers used for, the contact or attempted contacts with the borrower, as well as a record of the good faith efforts undertaken pursuant to sections 13 and 15 of this act; and

(2) After the recording of a notice of default and election to sell pursuant to subsection 3 of NRS 107.080, be made available to the borrower within 10 business days after a written request for the record by the borrower; and

(b) Transmit to the trustee or its authorized agent a declaration of compliance that is signed on behalf of the mortgage servicer by a natural person having personal knowledge of the facts stated in the declaration, or by a natural person with authority to bind the mortgage servicer, who certifies that the declaration is based on records which were made in the regular course of business at or near the time of the events recorded. The declaration of compliance must be included as part of, or attached to, every

notice of default and election to sell which is recorded pursuant to subsection 3 of NRS 107.080. A notice of default and election to sell which does not include the declaration of compliance described in this paragraph is void.

2. The declaration of compliance described in paragraph (b) of subsection 1 must be in substantially the following form:

DECLARATION OF COMPLIANCE

I. BORROWER CONTACT

A. () This loan is not subject to section 14 of this act pursuant to subsection 6 of section 14 of this act.

If item (I)(A) is checked, no further information regarding borrower contact is required. If item (I)(A) is not checked, complete item (I)(B).

B. () This loan is subject to section 14 of this act, and the beneficiary or authorized agent has complied with the requirements of section 14 of this act by satisfying the applicable contact or due diligence requirements described in subsection 2 or 3 of section 14 of this act. If checked, insert the date that the applicable borrower contact requirements were completed here:

II. FORECLOSURE AVOIDANCE REVIEW

A. () This loan is not subject to section 15 of this act pursuant to (check all that apply):

() Paragraph (a) of subsection 6 of section 15 of this act.

() Paragraph (b) of subsection 6 of section 15 of this act.

() Section 12 of this act.

If item (II)(A) is checked, no further information regarding borrower solicitation efforts is required. If item (II)(A) is not checked, complete item (II)(B).

B. () This loan is subject to section 15 of this act (check only one):

() The borrower was evaluated for a loan modification, was not approved, and the beneficiary or authorized agent sent the borrower a denial explanation letter in compliance with the requirements of subsection 3 of section 16 of this act.

() The borrower did not submit all required written application materials by the applicable deadline, and the beneficiary or authorized agent sent the borrower a denial explanation letter in compliance with the requirements of subsection 2 of section 16 of this act.

() The borrower did not initiate an application for a loan modification by the applicable deadline.

() The borrower was offered a HAMP trial period plan, but did not accept the trial period plan or did not complete the plan.

() The borrower was offered a permanent loan modification, but the borrower did not accept the modification offered.

() The borrower was offered and accepted a permanent loan modification, but did not comply with the terms of the modification.

() The borrower communicated to the beneficiary or authorized agent that he or she does not intend to apply for loan modification.

III. PROOF OF OWNERSHIP

() Attached is a copy of the note and all assignments and endorsements of the note, along with a declaration attesting to the existence and possession of the original note as well as all the assignments and endorsements, and certifying ownership of the mortgage and the right to foreclose.

() The trustee, beneficiary or any of their authorized agents are not reasonably able to obtain possession of the note and/or all assignments and endorsements thereof. Attached is a declaration of lost note that complies with the requirements of paragraph (b) of subsection 3 of NRS 107.080.

Sec. 18. 1. If the trustee, beneficiary or authorized agent records a notice of sale pursuant to subsection 5 of NRS 107.080:

(a) Without completing an evaluation of a timely completed application for a loan modification;

(b) Before the borrower's deadline for requesting and applying for a loan modification; or

(c) Without sending a denial explanation letter that materially complies with section 16 of this act,

↪ the borrower may seek an order in any court having jurisdiction to enjoin the exercise of the trustee's power of sale with respect to the property until any of these requirements not previously satisfied are satisfied.

2. If:

(a) The trustee, beneficiary or authorized agent records a notice of default and election to sell pursuant to subsection 3 of NRS 107.080:

(1) Without completing its evaluation of the borrower's timely completed application for a loan modification;

(2) Before the borrower's deadline for requesting and applying for a loan modification; or

(3) Without sending a denial explanation letter that materially complies with section 16 of this act;

(b) The trustee, beneficiary or authorized agent causes the property at issue to be sold at a trustee's sale pursuant to NRS 107.080; and

(c) The property at issue is sold to a bona fide purchaser at a trustee's sale pursuant to NRS 107.080,

↪ the borrower may recover in a civil action which must be commenced within 1 year following the trustee's sale the greater of treble actual damages or statutory damages in the amount of \$15,000, plus reasonable attorney's fees and costs.

3. If:

(a) The trustee, beneficiary or authorized agent records a notice of default and election to sell pursuant to subsection 3 of NRS 107.080:

(1) Without completing its evaluation of the borrower's timely completed application for a loan modification;

(2) Before the borrower's deadline for requesting and applying for a loan modification; or

(3) Without sending a denial explanation letter that materially complies with section 16 of this act;

(b) The trustee, beneficiary or authorized agent causes the property at issue to be sold at a trustee's sale pursuant to NRS 107.080; and

(c) Before commencement of an action pursuant to this subsection, the property at issue is sold by the trustee, beneficiary or authorized agent to a bona fide purchaser after a trustee's sale at which the trustee, beneficiary or authorized agent acquired title to the property,

↪ the borrower may recover in a civil action which must be commenced within 1 year following the trustee's sale the greater of treble actual damages or statutory damages in the amount of \$15,000, plus reasonable attorney's fees and costs. If the trustee, beneficiary or authorized agent had actual notice of the borrower's claim under this subsection before selling the property to a bona fide purchaser, the borrower is entitled to recover statutory damages in the amount of \$20,000 in addition to other damages recoverable under this subsection.

4. If the trustee, beneficiary or authorized agent:

(a) Records a notice of default and election to sell pursuant to subsection 3 of NRS 107.080:

(1) Without completing its evaluation of the borrower's timely completed application for a loan modification;

(2) Before the borrower's deadline for requesting and applying for a loan modification; or

(3) Without sending a denial explanation letter that materially complies with section 16 of this act;

(b) Causes the property at issue to be sold at a trustee's sale pursuant to NRS 107.080; and

(c) Acquired title to the property at the trustee's sale but has not sold the property to a bona fide purchaser,

↪ the borrower may, within 1 year following the trustee's sale, bring an action to void the trustee's sale, to enjoin the recording of any further notice of sale until at least 30 days after any requirement of sections 5 to 18, inclusive, of this act not previously satisfied is satisfied and for reasonable attorney's fees and costs.

5. If the mortgage servicer fails to cause the declaration of compliance required by section 17 of this act to be included with, or attached to, a notice of default and election to sell which is recorded pursuant to subsection 3 of NRS 107.080, the borrower may recover from the mortgage servicer statutory damages of not less than \$1,500 but not more than

\$10,000, plus reasonable attorney's fees and costs. If the mortgage servicer records, or causes to be recorded, a materially false declaration of compliance, a borrower may recover from the mortgage servicer statutory damages of not less than \$10,000 but not more than \$25,000, plus attorney's fees and costs. For the purposes of this subsection, the declaration of compliance is not false if it lists any incorrect dates for the date that the requirements described in the declaration were completed, unless the mortgage servicer knowingly included the wrong date on the declaration.

6. A beneficiary or mortgage servicer is not civilly liable under subsections 2, 3 and 4 if, before commencement of an action by the borrower and not later than 180 days after the date of the trustee's sale pursuant to NRS 107.080:

(a) The trustee, beneficiary or authorized agent:

(1) Voluntarily rescinds the trustee's sale before filing an unlawful detainer action against the borrower;

(2) Provides a written notice of that rescission to the borrower not later than 3 days after the rescission;

(3) Lists in the notice the steps the beneficiary or mortgage servicer will take before recording any further notice of sale;

(4) Materially complies with any requirements of sections 5 to 18, inclusive, of this act that were not previously satisfied not later than 30 days before recording any further notice of sale; and

(5) Sends the borrower a written communication stating that the beneficiary or mortgage servicer will not file an unlawful detainer action against the borrower before completing the steps set forth in the letter; or

(b) The trustee, beneficiary or authorized agent refrains from filing an unlawful detainer action against the borrower until at least 30 days after the beneficiary or mortgage servicer:

(1) Materially complies with all the applicable requirements of sections 5 to 18, inclusive, of this act that were not previously satisfied and sends the borrower a written communication informing the borrower of the actions taken and the outcome of those actions, including, without limitation, any reason for the denial of a loan modification, if applicable; and

(2) Sends the borrower a written communication stating the steps that were taken and the outcome, including, without limitation, any reason for the denial of a loan modification, if applicable. If the beneficiary or mortgage servicer determines that the borrower qualifies for a loan modification, it shall rescind the trustee's sale and offer the borrower the loan modification.

7. A borrower shall not have any cause of action under this section for any failure or error that is technical or de minimis in nature.

8. A mortgage servicer, trustee, beneficiary or authorized agent who violates a provision of sections 5 to 18, inclusive, of this act is liable, in

addition to any other penalty or remedy that may be provided by law, to a civil penalty of not more than \$10,000 for each violation and not more than \$25,000 for each violation involving the recording of a false or fraudulent declaration of compliance pursuant to section 17 of this act, which may be recovered by civil action on complaint of the Attorney General. All money collected as civil penalties pursuant to this section must be deposited in the State General Fund.

9. A trustee, beneficiary or authorized agent who is licensed by this State and who violates any provision of sections 5 to 18, inclusive, of this act shall be deemed to have violated the law governing that person's license and is subject to enforcement action by the licensing agency.

Sec. 19. NRS 107.080 is hereby amended to read as follows:

107.080 1. Except as otherwise provided in NRS 107.085 and 107.086, and sections 5 to 18, inclusive, of this act, if any transfer in trust of any estate in real property is made after March 29, 1927, to secure the performance of an obligation or the payment of any debt, a power of sale is hereby conferred upon the trustee to be exercised after a breach of the obligation for which the transfer is security.

2. The power of sale must not be exercised, however, until:

(a) Except as otherwise provided in paragraph (b), in the case of any trust agreement coming into force:

(1) On or after July 1, 1949, and before July 1, 1957, the grantor, the person who holds the title of record, a beneficiary under a subordinate deed of trust or any other person who has a subordinate lien or encumbrance of record on the property has, for a period of 15 days, computed as prescribed in subsection 3, failed to make good the deficiency in performance or payment; or

(2) On or after July 1, 1957, the grantor, the person who holds the title of record, a beneficiary under a subordinate deed of trust or any other person who has a subordinate lien or encumbrance of record on the property has, for a period of 35 days, computed as prescribed in subsection 3, failed to make good the deficiency in performance or payment;

(b) In the case of any trust agreement which concerns owner-occupied housing as defined in NRS 107.086, the grantor, the person who holds the title of record, a beneficiary under a subordinate deed of trust or any other person who has a subordinate lien or encumbrance of record on the property has, for a period that commences in the manner and subject to the requirements described in subsection 3 and expires 5 days before the date of sale, failed to make good the deficiency in performance or payment;

(c) The beneficiary, the successor in interest of the beneficiary or the trustee first executes and causes to be recorded in the office of the recorder of the county wherein the trust property, or some part thereof, is situated a notice of the breach and of the election to sell or cause to be sold the property to satisfy the obligation; and

(d) Not less than 3 months have elapsed after the recording of the notice.

3. The 15- or 35-day period provided in paragraph (a) of subsection 2, or the period provided in paragraph (b) of subsection 2, commences on the first day following the day upon which the notice of default and election to sell is recorded in the office of the county recorder of the county in which the property is located and a copy of the notice of default and election to sell is mailed by registered or certified mail, return receipt requested and with postage prepaid to the grantor or, to the person who holds the title of record on the date the notice of default and election to sell is recorded, and, if the property is operated as a facility licensed under chapter 449 of NRS, to the State Board of Health, at their respective addresses, if known, otherwise to the address of the trust property. The notice of default and election to sell must:

(a) Describe the deficiency in performance or payment and may contain a notice of intent to declare the entire unpaid balance due if acceleration is permitted by the obligation secured by the deed of trust, but acceleration must not occur if the deficiency in performance or payment is made good and any costs, fees and expenses incident to the preparation or recordation of the notice and incident to the making good of the deficiency in performance or payment are paid within the time specified in subsection 2. ~~It and~~

(b) If the property is owner-occupied housing as defined in NRS 107.086, include, or have attached to it, the declaration of compliance required by section 16 of this act and proof of ownership of the note secured by the deed of trust. Proof of ownership of the note must include a copy of the note secured by the deed of trust, evidence of all assignments and endorsements of the deed of trust and the note secured by the deed of trust and a declaration which attests to the existence and possession of the note secured by the deed of trust and to all assignments and endorsements of that note and certifies ownership of the deed of trust and the right to exercise the trustee's power of sale. If this proof cannot be located, the trustee, beneficiary or authorized agent shall include with, or attach to, the notice of default and election to sell a declaration signed either by a natural person having personal knowledge of the facts stated within, or by a natural person with authority to bind the trustee, beneficiary or authorized agent, who certifies that the declaration is based upon records that were made in the regular course of business at or near the time of the events recorded, including the following:

(1) Facts sufficient to show that the trustee, beneficiary or authorized agent has the right to enforce the note secured by the deed of trust;

(2) A statement that the person cannot reasonably obtain possession of the note and a description of the reasonable efforts made to obtain the note; and

(3) A description of the terms of the note and any riders attached thereto, including, without limitation:

(I) The date on which the note was executed;

(II) The parties to the note;

(III) The principal amount of the loan;

(IV) The amortization period of the loan;

(V) The initial interest rate of the loan and, if applicable, the initial date and the frequency of any adjustments to the interest rate, and the index and margin used to calculate the interest rate at the time of any scheduled adjustment; and

(VI) The expiration date of any interest-only period, if applicable.

↪ This paragraph must not be construed in derogation of the parties' rights established under NRS 104.3309 or any similar right established under the law of this State.

(c) If the property is a residential foreclosure, comply with the provisions of NRS 107.087.

4. If the property is owner-occupied housing as defined in NRS 107.086, the copy of the notice of default and election to sell which is mailed to the grantor or the person who holds the title of record pursuant to subsection 3 must include:

(a) An accounting of all payments made on the obligation secured by the deed of trust from the close of escrow to the date on which the notice of default and election to sell is recorded pursuant to subsection 3 in the form of a spreadsheet showing all account activity;

(b) An itemization and description of all late fees, late charges, appraisal fees, property inspection fees, forced placed insurance charges, legal fees and recoverable advances charged on the obligation secured by the deed of trust and an explanation of the reason for such charges;

(c) A copy of all interest rate adjustment notices and the two most recent escrow analysis notices sent to the grantor or the person who holds the title of record; and

(d) A breakdown of the current escrow charges which indicates how the charges are calculated and the reason for any increase in the charges within the preceding 24 months, and any shortage or surplus in the escrow account in the past three years.

5. The trustee, or other person authorized to make the sale under the terms of the trust deed or transfer in trust, shall, after expiration of the 3-month period following the recording of the notice of breach and election to sell, and before the making of the sale, give notice of the time and place thereof by recording the notice of sale and by:

(a) Providing the notice to each trustor, any other person entitled to notice pursuant to this section and, if the property is operated as a facility licensed under chapter 449 of NRS, the State Board of Health, by personal service or by mailing the notice by registered or certified mail to the last known address of the trustor and any other person entitled to such notice pursuant to this section;

(b) Posting a similar notice particularly describing the property, for 20 days successively, in three public places of the township or city where the property is situated and where the property is to be sold;

(c) Publishing a copy of the notice three times, once each week for 3 consecutive weeks, in a newspaper of general circulation in the county where the property is situated; and

(d) If the property is a residential foreclosure, complying with the provisions of NRS 107.087.

↪ A notice of sale may not be recorded pursuant to this subsection if the grantor or the person who holds the title of record has entered into a contract to sell the property and the beneficiary of the deed of trust has approved the sale or the grantor or the person who holds the title of record has requested the beneficiary's approval of the sale but the beneficiary has not yet approved or disapproved the sale.

~~15.1~~ **6.** Every sale made under the provisions of this section and other sections of this chapter vests in the purchaser the title of the grantor and any successors in interest without equity or right of redemption. A sale made pursuant to this section may be declared void by any court of competent jurisdiction in the county where the sale took place if:

(a) The trustee or other person authorized to make the sale does not substantially comply with the provisions of this section or any applicable provision of NRS 107.086 and 107.087 ~~1.1~~ **and sections 5 to 18, inclusive, of this act;**

(b) Except as otherwise provided in subsection ~~16.1~~ **7.** an action is commenced in the county where the sale took place within 90 days after the date of the sale; and

(c) A notice of lis pendens providing notice of the pendency of the action is recorded in the office of the county recorder of the county where the sale took place within 30 days after commencement of the action.

~~16.1~~ **7.** If proper notice is not provided pursuant to subsection 3 or paragraph (a) of subsection ~~14.1~~ **5** to the grantor, to the person who holds the title of record on the date the notice of default and election to sell is recorded, to each trustor or to any other person entitled to such notice, the person who did not receive such proper notice may commence an action pursuant to subsection ~~15.1~~ **6** within 120 days after the date on which the person received actual notice of the sale.

~~17.1~~ **8.** The sale of a lease of a dwelling unit of a cooperative housing corporation vests in the purchaser title to the shares in the corporation which accompany the lease.

~~18.1~~ **9.** After a sale of property is conducted pursuant to this section, the trustee shall:

(a) Within 30 days after the date of the sale, record the trustee's deed upon sale in the office of the county recorder of the county in which the property is located; or

(b) Within 20 days after the date of the sale, deliver the trustee's deed upon sale to the successful bidder. Within 10 days after the date of delivery of the deed by the trustee, the successful bidder shall record the trustee's

deed upon sale in the office of the county recorder of the county in which the property is located.

~~10.1~~ **10.** If the successful bidder fails to record the trustee's deed upon sale pursuant to paragraph (b) of subsection ~~10.1~~ **9**, the successful bidder:

(a) Is liable in a civil action to any party that is a senior lienholder against the property that is the subject of the sale in a sum of up to \$500 and for reasonable attorney's fees and the costs of bringing the action; and

(b) Is liable in a civil action for any actual damages caused by the failure to comply with the provisions of subsection ~~10.1~~ **9** and for reasonable attorney's fees and the costs of bringing the action.

~~10.1~~ **11.** The county recorder shall, in addition to any other fee, at the time of recording a notice of default and election to sell collect:

(a) A fee of \$150 for deposit in the State General Fund.

(b) A fee of \$50 for deposit in the Account for Foreclosure Mediation, which is hereby created in the State General Fund. The Account must be administered by the Court Administrator, and the money in the Account may be expended only for the purpose of supporting a program of foreclosure mediation established by Supreme Court Rule.

➔ The fees collected pursuant to this subsection must be paid over to the county treasurer by the county recorder on or before the fifth day of each month for the preceding calendar month, and, except as otherwise provided in this subsection, must be placed to the credit of the State General Fund or the Account as prescribed pursuant to this subsection. The county recorder may direct that 1.5 percent of the fees collected by the county recorder be transferred into a special account for use by the office of the county recorder. The county treasurer shall, on or before the 15th day of each month, remit the fees deposited by the county recorder pursuant to this subsection to the State Controller for credit to the State General Fund or the Account as prescribed in this subsection.

~~11.1~~ **12.** The beneficiary, the successor in interest of the beneficiary or the trustee who causes to be recorded the notice of default and election to sell shall not charge the grantor or the successor in interest of the grantor any portion of any fee required to be paid pursuant to subsection ~~11.1~~

~~12.1~~ **11.**

13. As used in this section, "residential foreclosure" means the sale of a single family residence under a power of sale granted by this section. As used in this subsection, "single family residence":

(a) Means a structure that is comprised of not more than four units.

(b) Does not include any time share or other property regulated under chapter 119A of NRS.

Sec. 20. NRS 107.084 is hereby amended to read as follows:

107.084 It is unlawful for a person to willfully remove or deface a notice posted pursuant to subsection ~~11.1~~ **5** of NRS 107.080, if done before the sale or, if the default is satisfied before the sale, before the satisfaction of the default. In addition to any other penalty, any person who violates this section

is liable in the amount of \$500 to any person aggrieved by the removal or defacing of the notice.

Sec. 21. NRS 107.087 is hereby amended to read as follows:

107.087 1. In addition to the requirements of NRS 107.080, if the sale of property is a residential foreclosure, a copy of the notice of default and election to sell and the notice of sale must:

(a) Be posted in a conspicuous place on the property not later than 3 business days after the notice of default and election to sell or the notice of sale is recorded pursuant to NRS 107.080; and

(b) Include, without limitation:

(1) The physical address of the property; and

(2) The contact information of the trustee or the person conducting the foreclosure who is authorized to provide information relating to the foreclosure status of the property.

2. In addition to the requirements of NRS 107.084, the notices must not be defaced or removed until the transfer of title is recorded or the property becomes occupied after completion of the sale, whichever is earlier.

3. A separate notice must be posted in a conspicuous place on the property and mailed, with a certificate of mailing issued by the United States Postal Service or another mail delivery service, to any tenant or subtenant, if any, other than the grantor or the grantor's successor in interest, in actual occupation of the premises not later than 3 business days after the notice of the sale is given pursuant to subsection ~~4~~ 5 of NRS 107.080. The separate notice must be in substantially the following form:

NOTICE TO TENANTS OF THE PROPERTY

Foreclosure proceedings against this property have started, and a notice of sale of the property to the highest bidder has been issued.

You may either: (1) terminate your lease or rental agreement and move out; or (2) remain and possibly be subject to eviction proceedings under chapter 40 of the Nevada Revised Statutes. Any subtenants may also be subject to eviction proceedings.

Between now and the date of the sale, you may be evicted if you fail to pay rent or live up to your other obligations to the landlord.

After the date of the sale, you may be evicted if you fail to pay rent or live up to your other obligations to the successful bidder, in accordance with chapter 118A of the Nevada Revised Statutes.

Under the Nevada Revised Statutes eviction proceedings may begin against you after you have been given a notice to quit.

If the property is sold and you pay rent by the week or another period of time that is shorter than 1 month, you should generally receive notice after not less than the number of days in that period of time.

If the property is sold and you pay rent by the month or any other period of time that is 1 month or longer, you should generally receive notice at least 60 days in advance.

Under Nevada Revised Statutes 40.280, notice must generally be served on you pursuant to chapter 40 of the Nevada Revised Statutes and may be served by:

- (1) Delivering a copy to you personally in the presence of a witness;
- (2) If you are absent from your place of residence or usual place of business, leaving a copy with a person of suitable age and discretion at either place and mailing a copy to you at your place of residence or business; or
- (3) If your place of residence or business cannot be ascertained, or a person of suitable age or discretion cannot be found there, posting a copy in a conspicuous place on the leased property, delivering a copy to a person residing there, if a person can be found, and mailing a copy to you at the place where the leased property is.

If the property is sold and a landlord, successful bidder or subsequent purchaser files an eviction action against you in court, you will be served with a summons and complaint and have the opportunity to respond. Eviction actions may result in temporary evictions, permanent evictions, the awarding of damages pursuant to Nevada Revised Statutes 40.360 or some combination of those results.

Under the Justice Court Rules of Civil Procedure:

- (1) You will be given at least 10 days to answer a summons and complaint;
- (2) If you do not file an answer, an order evicting you by default may be obtained against you;
- (3) A hearing regarding a temporary eviction may be called as soon as 11 days after you are served with the summons and complaint; and
- (4) A hearing regarding a permanent eviction may be called as soon as 20 days after you are served with the summons and complaint.

4. As used in this section, “residential foreclosure” has the meaning ascribed to it in NRS 107.080.

Sec. 22. NRS 459.646 is hereby amended to read as follows:

459.646 1. A person who, without participating in the management of a parcel of real property, holds or is the beneficiary of evidence of title to the property primarily to protect a security interest in the property is not a responsible party with respect to a release of a hazardous substance on the property if:

- (a) The owner of the property is relieved from liability under NRS 459.610 to 459.658, inclusive, with respect to the release;
- (b) The owner or holder of evidence of title did not cause the release; and
- (c) The owner or holder of evidence of title does not participate actively in decisions concerning hazardous substances on the property.

2. A lender to a prospective purchaser who has filed an application to participate in the program pursuant to NRS 459.634 or a lender who forecloses his or her security interest in property pursuant to NRS 40.430 to 40.450, inclusive, or 107.080 to 107.110, inclusive, **and sections 5 to 18, inclusive, of this act** and within a reasonable period after the foreclosure, not

to exceed 2 years, sells, transfers or conveys the property to a prospective purchaser who has filed an application to participate in the program pursuant to NRS 459.634 is not a responsible party solely as a result of:

(a) Foreclosing a security interest in the property; or

(b) Making a loan to the prospective purchaser if the loan:

(1) Is to be used for acquiring property or removing or remediating hazardous substances on property; and

(2) Is secured by the property that is to be acquired or on which is located the hazardous substances that are to be removed or remediated.

Sec. 23. The amendatory provisions of sections 4 to 22, inclusive, of this act apply only with respect to trust agreements which concern owner-occupied housing, as defined in NRS 107.086, for which a notice of default is recorded on or after July 1, 2011.

~~{Sec. 4.}~~ **Sec. 24.** This act becomes effective on July 1, 2011.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 394.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 449.

AN ACT relating to common-interest communities; revising provisions governing the collection of past due financial obligations in common-interest communities; establishing limits on the amount which may be charged to a unit's owner to cover the costs of collecting a past due financial obligation; revising provisions governing an association's lien for assessments; revising provisions governing the foreclosure of an association's lien by sale; revising provisions governing the manner of collecting debts owed to an association; establishing a limit on the amount of the fee which may be charged to a unit's owner to record a transfer of the unit in the records of the association; revising various provisions relating to common-interest communities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes certain restrictions on the actions of an association of a common-interest community with respect to regulating the use of a unit by a unit's owner. (NRS 116.2111) **Section 3** of this bill prohibits an association from prohibiting or unreasonably restricting a unit's owner from installing and using a clothesline within the boundaries of his or her unit.

Existing law requires the Commission for Common-Interest Communities and Condominium Hotels to adopt regulations establishing the amount of the fees that may be charged to a unit's owner to cover the costs of collecting a past due financial obligation owed to an association of a common-interest community. (NRS 116.310313) **Section 1 of this bill revises the definition of "costs of collecting" so that: (1) attorney's fees incurred by an**

association because a unit's owner has filed a bankruptcy petition are not subject to the restrictions on fees to cover the costs of collecting a past due obligation; and (2) other attorney's fees incurred by an association in collecting a past due obligation are subject to those restrictions. **Section 5** of this bill prohibits the association from charging a unit's owner the costs of collecting a past due obligation unless two-thirds of the total number of voting members of the association approve a collection policy for the association. **Section 5** requires the collection policy to establish the rates for the costs of collecting a past due obligation and establishes limits on the ~~amount a unit's owner may be charged~~ fees charged to a unit's owner to cover the costs of collecting such obligations. ~~It, which are based on the amount of the outstanding balance of the past due obligation.~~ In addition, **section 5** establishes limits on the amount of the fee charged to a unit's owner to transfer an account for collection and to change the name of the unit's owner on such an account.

Under existing law, the association has a lien for certain amounts due the association. This lien is prior to the lien of a first security interest on the unit to the extent of charges incurred by the association to maintain certain units which are being foreclosed and to the extent of a specified number of months of assessments. (NRS 116.3116) **Section 8** of this bill provides that if the title to the unit is acquired at a foreclosure sale or trustee's sale and the mortgage on the unit was insured by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the amount secured by the lien given priority must not exceed the amount of common expenses and assessments authorized to be given such priority by the federal regulations or underwriting guidelines of the federal entity which insured the debt.

Existing law authorizes the association to foreclose its lien by sale of the unit and prescribes the procedures for such a foreclosure. (NRS 116.31162-116.31168) **Sections 9 and 10** of this bill revise provisions governing such foreclosures by prohibiting the association from: (1) foreclosing its lien by sale based on delinquent assessments unless the amount of delinquent assessments exceeds a certain amount; (2) foreclosing its lien by sale unless the executive board of the association authorizes the foreclosure in an executive session after providing notice of the meeting to a unit's owner; and (3) selling the unit and charging any costs of collecting to a unit's owner if the sale does not occur within 120 days after the association mails the notice of default and election to sell to the unit's owner.

Existing law requires the association to provide a statement of any transfer fees, transaction fees or any other fees associated with the resale of a unit in the resale package which is provided to a potential purchaser of a unit. (NRS 116.4109) **Section 11** of this bill establishes a limit of not more than \$50 on a fee charged to a unit's owner to record the transfer of a unit in the records of the association or its community manager.

Existing law provides that a collection agency which violates the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq., or any

regulation adopted pursuant thereto violates the provisions in existing state law relating to collection agencies. (NRS 649.370) Because the Fair Debt Collection Practices Act applies to consumer debts owed by natural persons, it does not apply when a collection agency collects any debt owed by an entity. (15 U.S.C. §§ 1692 et seq.) **Section 12** of this bill provides that a collection agency which violates the federal Fair Debt Collection Practices Act with respect to any debt owed to an association by a unit's owner is deemed to violate existing state law relating to collection agencies.

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

Section 1. Chapter 116 of NRS is hereby amended by adding thereto a new section to read as follows:

“Costs of collecting” includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a notice of default and election to sell or notice of foreclosure sale or a rescission thereof, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association ~~charges a unit's owner~~ incurs for the investigation, enforcement or collection of a past due obligation. The term does not include ~~any costs~~ attorney's fees incurred by an association ~~if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.~~ because the unit's owner has filed a bankruptcy petition pursuant to Title 11 of the United States Code.

Sec. 2. NRS 116.003 is hereby amended to read as follows:

116.003 As used in this chapter and in the declaration and bylaws of an association, unless the context otherwise requires, the words and terms defined in NRS 116.005 to 116.095, inclusive, **and section 1 of this act** have the meanings ascribed to them in those sections.

Sec. 3. NRS 116.2111 is hereby amended to read as follows:

116.2111 1. Except as otherwise provided in this section and subject to the provisions of the declaration and other provisions of law, a unit's owner:

(a) May make any improvements or alterations to his or her unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community;

(b) May not change the appearance of the common elements, or the exterior appearance of a unit or any other portion of the common-interest community, without permission of the association; and

(c) After acquiring an adjoining unit or an adjoining part of an adjoining unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.

2. An association may not:

(a) Unreasonably restrict, prohibit or otherwise impede the lawful rights of a unit's owner to have reasonable access to his or her unit.

(b) Charge any fee for a person to enter the common-interest community to provide services to a unit, a unit's owner or a tenant of a unit's owner or for any visitor to the common-interest community or invitee of a unit's owner or a tenant of a unit's owner to enter the common-interest community.

(c) Unreasonably restrict, prohibit or withhold approval for a unit's owner to add to a unit:

(1) Improvements such as ramps, railings or elevators that are necessary to improve access to the unit for any occupant of the unit who has a disability;

(2) Additional locks to improve the security of the unit;

(3) Shutters to improve the security of the unit or to reduce the costs of energy for the unit; or

(4) A system that uses wind energy to reduce the costs of energy for the unit if the boundaries of the unit encompass 2 acres or more within the common-interest community.

(d) With regard to approving or disapproving any improvement or alteration made to a unit, act in violation of any state or federal law.

(e) Prohibit or unreasonably restrict a unit's owner from installing and using a clothesline within the boundaries of his or her unit.

3. Any improvement or alteration made pursuant to subsection 2 that is visible from any other portion of the common-interest community must be installed, constructed or added in accordance with the procedures set forth in the governing documents of the association and must be selected or designed to the maximum extent practicable to be compatible with the style of the common-interest community.

4. An association may not unreasonably restrict, prohibit or withhold approval for a unit's owner to add shutters to improve the security of the unit or to reduce the costs of energy for the unit, including, without limitation, rolling shutters, that are attached to a portion of an interior or exterior window, interior or exterior door or interior or exterior wall which is not part of the unit and which is a common element or limited common element if:

(a) The portion of the window, door or wall to which the shutters are attached is adjoining the unit; and

(b) The shutters must necessarily be attached to that portion of the window, door or wall during installation to achieve the maximum benefit in improving the security of the unit or reducing the costs of energy for the unit.

5. If a unit's owner adds shutters pursuant to subsection 4, the unit's owner is responsible for the maintenance of the shutters.

6. For the purposes of subsection 4, a covenant, restriction or condition which does not unreasonably restrict the addition of shutters and which is contained in the governing documents of a common-interest community or a

policy established by a common-interest community is enforceable so long as the covenant, restriction or condition was:

(a) In existence on July 1, 2009; or

(b) Contained in the governing documents in effect on the close of escrow of the first sale of a unit in the common-interest community.

7. A unit's owner may not add to the unit a system that uses wind energy as described in subparagraph (4) of paragraph (c) of subsection 2 unless the unit's owner first obtains the written consent of each owner of property within 300 feet of any boundary of the unit.

Sec. 4. NRS 116.310312 is hereby amended to read as follows:

116.310312 1. A person who holds a security interest in a unit must provide the association with the person's contact information as soon as reasonably practicable, but not later than 30 days after the person:

(a) Files an action for recovery of a debt or enforcement of any right secured by the unit pursuant to NRS 40.430; or

(b) Records or has recorded on his or her behalf a notice of a breach of obligation secured by the unit and the election to sell or have the unit sold pursuant to NRS 107.080.

2. If an action or notice described in subsection 1 has been filed or recorded regarding a unit and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may, but is not required to, enter the grounds of the unit, whether or not the unit is vacant, to take any of the following actions if the unit's owner refuses or fails to take any action or comply with any requirement imposed on the unit's owner within the time specified by the association as a result of the hearing:

(a) Maintain the exterior of the unit in accordance with the standards set forth in the governing documents, including, without limitation, any provisions governing maintenance, standing water or snow removal.

(b) Remove or abate a public nuisance on the exterior of the unit which:

(1) Is visible from any common area of the community or public streets;

(2) Threatens the health or safety of the residents of the common-interest community;

(3) Results in blighting or deterioration of the unit or surrounding area; and

(4) Adversely affects the use and enjoyment of nearby units.

3. If a unit is vacant and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may enter the grounds of the unit to maintain the exterior of the unit or abate a public nuisance as described in subsection 2 if the unit's owner refuses or fails to do so.

4. The association may order that the costs of any maintenance or abatement conducted pursuant to subsection 2 or 3, including, without

limitation, reasonable inspection fees, notification and collection costs and interest, be charged against the unit. The association shall keep a record of such costs and interest charged against the unit and has a lien on the unit for any unpaid amount of the charges. The lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

5. A lien described in subsection 4 bears interest from the date that the charges become due at a rate determined pursuant to NRS 17.130 until the charges, including all interest due, are paid.

6. ~~{Except as otherwise provided in this subsection,}~~ **Subject to the limitations provided in NRS 116.3116,** a lien described in subsection 4 is prior and superior to all liens, claims, encumbrances and titles other than the liens described in paragraphs (a) and (c) of subsection 2 of NRS 116.3116. ~~{If the federal regulations of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien, the period during which the lien is prior and superior to other security interests shall be determined in accordance with those federal regulations. Notwithstanding the federal regulations, the period of priority of the lien must not be less than the 6 months immediately preceding the institution of an action to enforce the lien.}~~

7. A person who purchases or acquires a unit at a foreclosure sale pursuant to NRS 40.430 or a trustee's sale pursuant to NRS 107.080 is bound by the governing documents of the association and shall maintain the exterior of the unit in accordance with the governing documents of the association. Such a unit may only be removed from a common-interest community in accordance with the governing documents pursuant to this chapter.

8. Notwithstanding any other provision of law, an association, its directors or members of the executive board, employees, agents or community manager who enter the grounds of a unit pursuant to this section are not liable for trespass.

9. As used in this section:

(a) "Exterior of the unit" includes, without limitation, all landscaping outside of a unit and the exterior of all property exclusively owned by the unit owner.

(b) "Vacant" means a unit:

- (1) Which reasonably appears to be unoccupied;
- (2) On which the owner has failed to maintain the exterior to the standards set forth in the governing documents the association; and
- (3) On which the owner has failed to pay assessments for more than 60 days.

Sec. 5. NRS 116.310313 is hereby amended to read as follows:

116.310313 1. An association may **not** charge a unit's owner ~~{reasonable fees to cover}~~ the costs of collecting any past due obligation ~~{The Commission shall adopt regulations establishing the amount of the fees that an association may charge pursuant to this section.}~~ **unless:**

(a) The executive board proposes a collection policy which includes, without limitation:

(1) The responsibility of the unit's owner to pay an obligation in a timely manner;

(2) The association's rights concerning the collection of an obligation if the unit's owner fails to pay the obligation in a timely manner; and

(3) The rate established by the association for the costs of collecting a past due obligation; ~~and~~

(b) Units' owners constituting at least two-thirds of the total number of voting members of the association approve the collection policy proposed by the executive board ~~and~~; and

(c) The collection service for which the cost is incurred has been performed, except that the fees and costs associated with a release of a delinquent assessment lien may be charged to the unit's owner at the time of the recording of the notice of a delinquent assessment lien.

~~2. Subject to the limitation set forth in subsection 3, if, pursuant to subsection 1, the association is authorized to charge a unit's owner the costs of collecting a past due obligation, the rate established by the association for~~ Except as otherwise provided in subsection 3, an association may not charge a unit's owner fees to cover the costs of collecting the past due obligation.

~~(a) May not exceed \$50, if the outstanding balance is less than \$200.~~

~~(b) May not exceed \$75, if the outstanding balance is \$200 or more but is less than \$500.~~

~~(c) May not exceed \$100, if the outstanding balance is \$500 or more but is less than \$1,000.~~

~~(d) May not exceed \$250, if the outstanding balance is \$1,000 or more but is less than \$5,000.~~

~~(e) May not exceed \$500, if the outstanding balance is \$5,000 or more.~~

~~3. The rate established by the association for the costs of collecting a past due obligation must provide that, during any 24 month period, the association may not charge a unit's owner the costs of collecting a past due obligation in an amount which exceeds \$600 per unit.~~

~~4. The provisions of this section apply to any costs of collecting a past due obligation charged to a unit's owner, regardless of whether the past due obligation is collected by the association itself or by any person acting on behalf of the association, including, without limitation, an officer or employee of the association, a community manager or a collection agency.~~

~~5. which exceed a total of \$1,475. In addition to the amount set forth in this subsection, if an association is attempting to collect a past due obligation from a unit's owner, the association may charge the unit's owner:~~

(a) A reasonable management company fee which may not exceed a total of \$50; and

(b) Costs and reasonable attorney's fees if such costs and fees are awarded pursuant to subsection 9 of NRS 116.3116.

3. An association may not charge a unit's owner fees to cover the costs of collecting a past due fine for a violation of the governing documents which exceed a total of \$225 plus any costs authorized to be charged to a unit's owner pursuant to subsection 5. In attempting to collect a past due fine for a violation of the governing documents, the association shall:

(a) Provide any requested payoff demand statement within 10 days after receipt of a request for such a statement.

(b) Provide information concerning the fine to a person who presents evidence that the person has a protectable interest in the unit, including, without limitation, a receipt for a purchase as a trustee's sale, a deed of trust secured by the unit, a deed to the unit or any other legitimate evidence of a protectable interest in the unit.

(c) Execute and record in the office of the county recorder of the county in which the unit is located within 30 days after full payment of the amount due notice of the release of the lien.

4. An association may not charge fees to cover the costs of collecting a past due obligation which exceed the following amounts:

(a) For a letter stating the intent of the association to record a notice of delinquent assessment, \$50.

(b) For a letter stating the intent of the association to record a notice of default and election to sell, \$50.

(c) For a letter stating the intent of the association to record a notice of sale, \$50.

(d) For the preparation and recordation of a notice of delinquent assessment lien, \$125.

(e) For the preparation and recordation of a notice of default and election to sell, \$125.

(f) For the preparation and recordation of a notice of sale, \$125.

(g) For the postponement of a foreclosure sale, \$50.

(h) For the preparation and recordation of a transfer deed, \$125.

(i) For the preparation and recordation of a release of the notice of delinquent assessment, \$50.

(j) For the preparation and recordation of a notice of rescission, \$50.

(k) For the preparation and recordation of an escrow payoff demand, \$50.

(l) For the preparation and administration of a payment plan agreement, \$50.

(m) For the preparation of a super-priority demand letter, \$75.

↪ The association may not charge the fee described in paragraph (b), (e) or (f) unless, at the time the applicable notice is prepared, the association intends to complete the sale of the unit pursuant to NRS 116.31162 to 116.31168, inclusive, if the unit's owner fails to pay the amount of the lien. The association may not charge the fee described in paragraph (a) or (d)

unless the governing documents authorize the recording of the applicable document.

5. In addition to the amount of a fee charged to a unit's owner to cover the costs of collecting a past due obligation pursuant to subsection 3, if:

(a) An association incurs any costs in connection with an activity described in subsection 3, including, without limitation, the cost of a trustee's sale guarantee and other title costs, recording costs, posting and publishing costs, sale costs, mailing costs, express delivery costs and skip trace fees; and

(b) Those costs are not charged by an officer, director or employee of the association, an agent or attorney of the association, a community manager of the association or a collection agency retained by the association or an affiliate or related party thereof.

↳ the association may recover from the unit's owner the actual costs incurred without any increase or markup. The total amount of costs charged to a unit's owner pursuant to this subsection must not exceed \$500.

6. An association or a community manager may not charge a unit's owner, or require a unit's owner to pay, a fee of more than:

(a) Fifty dollars for transferring an account for the collection of a past due obligation to another person; and

(b) Twenty-five dollars for changing the name of the unit's owner on the account for the collection of a past due obligation.

~~{3.} {6.}~~ 7. For a one-time period of 30 days immediately following receipt of a payoff demand from the unit's owner or a person with a protectable interest in the unit, no fee to cover the costs of collecting a past due obligation, other than the fee described in paragraph (k) of subsection 3 and any fee to cover any cost of collecting a past due obligation which is imposed because of an action required by statute to be taken during the 30-day period, may be charged to the unit's owner.

8. For a period of 30 days immediately following the date on which:

(a) A person who holds a security interest in a unit provides the association with the person's contact information pursuant to subsection 1 of NRS 116.310312; and

(b) A unit is sold pursuant to a trustee's sale under NRS 107.080 or a foreclosure sale under NRS 40.430 by, or on behalf of, a person who holds a first securing interest on the unit.

↳ no fee to cover the cost of collecting a past due obligation, other than a fee to cover any costs of collecting a past due obligation which is imposed because of an action required by statute to be taken during the 30-day period, may be charged to the unit's owner.

9. The provisions of this section apply to any costs of collecting a past due obligation charged to a unit's owner, regardless of whether the past due obligation is collected by the association itself or by any person acting

on behalf of the association, including, without limitation, an officer or employee of the association, a community manager or a collection agency.

10. As used in this section ~~is~~

~~(a) ["Costs of collecting" includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a lien or lien rescission, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association charges a unit's owner for the investigation, enforcement or collection of a past due obligation. The term does not include any costs incurred by an association if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.~~

~~(b) ["Obligation"] "obligation" means any assessment, fine, construction penalty, fee, charge or interest levied or imposed against a unit's owner pursuant to any provision of this chapter or the governing documents.~~

~~(b) "Outstanding balance" means the amount of a past due obligation that remains unpaid before any interest, charges for late payment or costs of collecting the past due obligation are added.~~

Sec. 6. NRS 116.31085 is hereby amended to read as follows:

116.31085 1. Except as otherwise provided in this section, a unit's owner may attend any meeting of the units' owners or of the executive board and speak at any such meeting. The executive board may establish reasonable limitations on the time a unit's owner may speak at such a meeting.

2. An executive board may not meet in executive session to open or consider bids for an association project as defined in NRS 116.31086, or to enter into, renew, modify, terminate or take any other action regarding a contract.

3. An executive board may meet in executive session only to:

(a) Consult with the attorney for the association on matters relating to proposed or pending litigation if the contents of the discussion would otherwise be governed by the privilege set forth in NRS 49.035 to 49.115, inclusive.

(b) Discuss the character, alleged misconduct, professional competence, or physical or mental health of a community manager or an employee of the association.

(c) Except as otherwise provided in subsection 4, discuss a violation of the governing documents, including, without limitation, the failure to pay an assessment.

(d) Discuss the alleged failure of a unit's owner to adhere to a schedule required pursuant to NRS 116.310305 if the alleged failure may subject the unit's owner to a construction penalty.

(e) Discuss an authorization to foreclose the association's lien by sale pursuant to paragraph (b) of subsection 1 of NRS 116.31162. The vote of each member of the executive board concerning whether to authorize the

foreclosure of the association's lien by sale must be recorded in the minutes of the meeting.

4. An executive board shall meet in executive session to hold a hearing on an alleged violation of the governing documents unless the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted by the executive board. If the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted, the person:

(a) Is entitled to attend all portions of the hearing related to the alleged violation, including, without limitation, the presentation of evidence and the testimony of witnesses;

(b) Is entitled to due process, as set forth in the standards adopted by regulation by the Commission, which must include, without limitation, the right to counsel, the right to present witnesses and the right to present information relating to any conflict of interest of any member of the hearing panel; and

(c) Is not entitled to attend the deliberations of the executive board.

5. The provisions of subsection 4 establish the minimum protections that the executive board must provide before it may make a decision. The provisions of subsection 4 do not preempt any provisions of the governing documents that provide greater protections.

6. Except as otherwise provided in this subsection, any matter discussed by the executive board when it meets in executive session must be generally noted in the minutes of the meeting of the executive board. The executive board shall maintain minutes of any decision made pursuant to subsection 4 concerning an alleged violation and, upon request, provide a copy of the decision to the person who was subject to being sanctioned at the hearing or to the person's designated representative.

7. Except as otherwise provided in subsection 4, a unit's owner is not entitled to attend or speak at a meeting of the executive board held in executive session.

Sec. 7. NRS 116.31151 is hereby amended to read as follows:

116.31151 1. Except as otherwise provided in subsection 2 and unless the declaration of a common-interest community imposes more stringent standards,

the executive board shall, not less than 30 days or more than 60 days before the beginning of the fiscal year of the association, prepare and distribute to each unit's owner a copy of:

(a) The budget for the daily operation of the association. The budget must include, without limitation, the estimated annual revenue and expenditures of the association and any contributions to be made to the reserve account of the association.

(b) The budget to provide adequate funding for the reserves required by paragraph (b) of subsection 2 of NRS 116.3115. The budget must include, without limitation:

(1) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(2) As of the end of the fiscal year for which the budget is prepared, the current estimate of the amount of cash reserves that are necessary, and the current amount of accumulated cash reserves that are set aside, to repair, replace or restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(3) A statement as to whether the executive board has determined or anticipates that the levy of one or more special assessments will be necessary to repair, replace or restore any major component of the common elements or any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore or to provide adequate funding for the reserves designated for that purpose; and

(4) A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to subparagraph (2), including, without limitation, the qualifications of the person responsible for the preparation of the study of the reserves required by NRS 116.31152.

2. In lieu of distributing copies of the budgets of the association required by subsection 1, the executive board may distribute to each unit's owner a summary of those budgets, accompanied by a written notice that:

(a) The budgets are available for review at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties but not to exceed 60 miles from the physical location of the common-interest community; and

(b) Copies of the budgets will be provided upon request.

3. Within 60 days after adoption of any proposed budget for the common-interest community, the executive board shall provide a summary of the proposed budget to each unit's owner and shall set a date for a meeting of the units' owners to consider ratification of the proposed budget not less than 14 days or more than 30 days after the mailing of the summaries. Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the units' owners must be continued until such time as the units' owners ratify a subsequent budget proposed by the executive board.

4. The executive board shall, at the same time and in the same manner that the executive board makes the budget available to a unit's owner pursuant to this section, make available to each unit's owner the **collection** policy ~~established~~ for the association ~~concerning the collection of any fees,~~

~~finances, assessments or costs imposed against a unit's owner pursuant to this chapter. The policy must include, without limitation:~~

~~(a) The responsibility of the unit's owner to pay any such fees, fines, assessments or costs in a timely manner; and~~

~~(b) The association's rights concerning the collection of such fees, fines, assessments or costs if the unit's owner fails to pay the fees, fines, assessments or costs in a timely manner.~~ **adopted pursuant to NRS 116.310313.**

Sec. 8. NRS 116.3116 is hereby amended to read as follows:

116.3116 1. The association has a lien on a unit for any construction penalty that is imposed against the unit's owner pursuant to NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment or fine becomes due. Unless the declaration otherwise provides, any penalties, fees, charges, late charges, fines and interest charged pursuant to paragraphs (j) to (n), inclusive, of subsection 1 of NRS 116.3102 are enforceable as assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

2. A lien under this section is prior to all other liens and encumbrances on a unit except:

(a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances which the association creates, assumes or takes subject to;

(b) A first security interest on the unit recorded before the date on which the assessment sought to be enforced became delinquent or, in a cooperative, the first security interest encumbering only the unit's owner's interest and perfected before the date on which the assessment sought to be enforced became delinquent; and

(c) Liens for real estate taxes and other governmental assessments or charges against the unit or cooperative.

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3. The lien **under this section** is also prior to all security interests described in paragraph (b) **of subsection 2** to the extent of any charges incurred by the association on a unit pursuant to NRS 116.310312 and to the extent of the assessments for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which would have become due in the absence of acceleration during the 9 months immediately preceding institution of an action to enforce the lien, unless federal regulations **or underwriting guidelines** adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien. If federal regulations **or underwriting guidelines** adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien, the period ~~during which the lien is prior to all security interests~~

~~described in paragraph (b)}~~ **of priority** must be determined in accordance with those federal regulations ~~{} or underwriting guidelines~~, except that notwithstanding the provisions of the federal regulations ~~{} or underwriting guidelines~~, the period of priority for the lien must not be less than the 6 months immediately preceding institution of an action to enforce the lien. ~~{This subsection does}~~ ***If title to a unit is acquired by a sale conducted pursuant to NRS 40.430 or 107.080 to obtain payment of a debt secured by a security interest described in paragraph (b) of subsection 2 and that debt was insured by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the amount secured by the lien given priority over the security interests described in paragraph (b) of subsection 2 must not exceed the amount of common expenses and assessments authorized to be given such priority by the federal regulations or underwriting guidelines adopted by the entity which insured the debt.***

4. The provisions of subsections 2 and 3 do not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the association.

~~{}3-~~ **5.** Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority.

~~{}4-~~ **6.** Recording of the declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this section is required.

~~{}5-~~ **7.** A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within 3 years after the full amount of the assessments becomes due.

~~{}6-~~ **8.** This section does not prohibit actions to recover sums for which subsection 1 creates a lien or prohibit an association from taking a deed in lieu of foreclosure.

~~{}7-~~ **9.** A judgment or decree in any action brought under this section must include costs and reasonable attorney's fees for the prevailing party.

~~{}8-~~ **10.** The association, upon written request, shall furnish to a unit's owner a statement setting forth the amount of unpaid assessments against the unit. If the interest of the unit's owner is real estate or if a lien for the unpaid assessments may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the statement must be in recordable form. The statement must be furnished within 10 business days after receipt of the request and is binding on the association, the executive board and every unit's owner.

~~{}9-~~ **11.** In a cooperative, upon nonpayment of an assessment on a unit, the unit's owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and:

(a) In a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, the association's lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

(b) In a cooperative where the owner's interest in a unit is personal property under NRS 116.1105, the association's lien:

(1) May be foreclosed as a security interest under NRS 104.9101 to 104.9709, inclusive; or

(2) If the declaration so provides, may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

Sec. 9. NRS 116.31162 is hereby amended to read as follows:

116.31162 1. Except as otherwise provided in ~~subsection~~ **subsections 4, 5 and paragraph (a) of subsection 2 of NRS 116.31164**, in a condominium, in a planned community, in a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, or in a cooperative where the owner's interest in a unit is personal property under NRS 116.1105 and the declaration provides that a lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the association may foreclose its lien by sale after all of the following occur:

(a) The association has mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest, at his or her address, if known, and at the address of the unit, a notice of delinquent assessment which states the amount of the assessments and other sums which are due in accordance with subsection 1 of NRS 116.3116, a description of the unit against which the lien is imposed and the name of the record owner of the unit.

(b) *Before the association records the notice of default and election to sell in the manner required by paragraph (c), the executive board authorizes the foreclosure of the association's lien by sale by a majority vote of the members of the executive board which is recorded in the minutes of the meeting at which such action is taken. Except as otherwise provided in this paragraph, if the lien is imposed against a unit which is occupied by the unit's owner, not later than 20 days before the meeting, the association must provide to the unit's owner or his or her successor in interest by personal delivery notice that the executive board will determine whether to authorize the foreclosure of the association's lien by sale of the unit. If the lien is imposed against a unit which is not occupied by the unit's owner, the association may provide the notice by first-class mail to the last known mailing address of the unit's owner.*

(c) Not less than 30 days after mailing the notice of delinquent assessment pursuant to paragraph (a), the association or other person conducting the sale has executed and caused to be recorded, with the county recorder of the county in which the common-interest community or any part of it is situated, a notice of default and election to sell the unit to satisfy the lien which must contain the same information as the notice of delinquent assessment and which must also comply with the following:

(1) Describe the deficiency in payment.

(2) State the name and address of the person authorized by the association to enforce the lien by sale.

(3) Contain, in 14-point bold type, the following warning:

WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE!

~~1(c)~~ (d) The unit's owner or his or her successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement, for 90 days following the recording of the notice of default and election to sell.

2. The notice of default and election to sell must be signed by the person designated in the declaration or by the association for that purpose or, if no one is designated, by the president of the association.

3. The period of 90 days begins on the first day following:

(a) The date on which the notice of default is recorded; or

(b) The date on which a copy of the notice of default is mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest at his or her address, if known, and at the address of the unit,

↪ whichever date occurs later.

4. The association may not foreclose a lien by sale based on a fine or penalty for a violation of the governing documents of the association unless:

(a) The violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community; or

(b) The penalty is imposed for failure to adhere to a schedule required pursuant to NRS 116.310305.

5. *The association may not foreclose a lien by sale based on a delinquent assessment unless the amount of the delinquent assessment, excluding acceleration and any interest, charges for late payment, fines or costs of collecting the assessment:*

(a) *Is more than \$1,800; or*

(b) *Is equal to or greater than the assessments for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which became due during the 12 months immediately preceding institution of the foreclosure.*

Sec. 10. NRS 116.31164 is hereby amended to read as follows:

116.31164 1. The sale must be conducted in the county in which the common-interest community or part of it is situated, and may be conducted by the association, its agent or attorney, or a title insurance company or escrow agent licensed to do business in this State, except that the sale may be made at the office of the association if the notice of the sale so provided, whether the unit is located within the same county as the office of the association or not. The association or other person conducting the sale may from time to time postpone the sale by such advertisement and notice as it considers reasonable or, without further advertisement or notice, by

proclamation made to the persons assembled at the time and place previously set and advertised for the sale.

2. *If the sale does not occur within 120 days after the date on which a copy of the notice of default and election to sell was personally delivered or mailed to the unit's owner or his or her successor in interest in the manner required by paragraph (b) of subsection 1 of NRS 116.31162, the association and any person acting on behalf of the association may not:*

(a) Foreclose the association's lien by sale; or

(b) Charge to, or collect from, the unit's owner or his or her successor in interest any costs of collecting the past due obligation to which the notice of default relates unless the unit's owner or his or her successor in interest has agreed to a payment plan which includes the payment, in whole or in part, of the costs of collecting the past due obligation.

3. On the day of sale originally advertised or to which the sale is postponed, at the time and place specified in the notice or postponement, the person conducting the sale may sell the unit at public auction to the highest cash bidder. Unless otherwise provided in the declaration or by agreement, the association may purchase the unit and hold, lease, mortgage or convey it. The association may purchase by a credit bid up to the amount of the unpaid assessments and any permitted costs, fees and expenses incident to the enforcement of its lien.

~~{3.}~~ **4.** After the sale, the person conducting the sale shall:

(a) Make, execute and, after payment is made, deliver to the purchaser, or his or her successor or assign, a deed without warranty which conveys to the grantee all title of the unit's owner to the unit;

(b) Deliver a copy of the deed to the Ombudsman within 30 days after the deed is delivered to the purchaser, or his or her successor or assign; and

(c) Apply the proceeds of the sale for the following purposes in the following order:

(1) The reasonable expenses of sale;

(2) The reasonable expenses of securing possession before sale, holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges, premiums on hazard and liability insurance, and, to the extent provided for by the declaration, reasonable attorney's fees and other legal expenses incurred by the association;

(3) Satisfaction of the association's lien;

(4) Satisfaction in the order of priority of any subordinate claim of record; and

(5) Remittance of any excess to the unit's owner.

Sec. 11. NRS 116.4109 is hereby amended to read as follows:

116.4109 1. Except in the case of a sale in which delivery of a public offering statement is required, or unless exempt under subsection 2 of NRS 116.4101, a unit's owner or his or her authorized agent shall, at the expense of the unit's owner, furnish to a purchaser a resale package containing all of the following:

(a) A copy of the declaration, other than any plats, the bylaws, the rules or regulations of the association and the information statement required by NRS 116.41095;

(b) A statement setting forth the amount of the monthly assessment for common expenses and any unpaid assessment of any kind currently due from the selling unit's owner;

(c) A copy of the current operating budget of the association and current year-to-date financial statement for the association, which must include a summary of the reserves of the association required by NRS 116.31152 and which must include, without limitation, a summary of the information described in paragraphs (a) to (e), inclusive, of subsection 3 of NRS 116.31152;

(d) A statement of any unsatisfied judgments or pending legal actions against the association and the status of any pending legal actions relating to the common-interest community of which the unit's owner has actual knowledge;

(e) A statement of any transfer fees, transaction fees or any other fees associated with the resale of a unit; and

(f) In addition to any other document, a statement describing all current and expected fees or charges for each unit, including, without limitation, association fees, fines, assessments, late charges or penalties, interest rates on delinquent assessments, additional costs for collecting past due fines and charges for opening or closing unit file for each unit.

2. The purchaser may, by written notice, cancel the contract of purchase until midnight of the fifth calendar day following the date of receipt of the resale package described in subsection 1, and the contract for purchase must contain a provision to that effect. If the purchaser elects to cancel a contract pursuant to this subsection, the purchaser must hand deliver the notice of cancellation to the unit's owner or his or her authorized agent or mail the notice of cancellation by prepaid United States mail to the unit's owner or his or her authorized agent. Cancellation is without penalty, and all payments made by the purchaser before cancellation must be refunded promptly. If the purchaser has accepted a conveyance of the unit, the purchaser is not entitled to:

(a) Cancel the contract pursuant to this subsection; or

(b) Damages, rescission or other relief based solely on the ground that the unit's owner or his or her authorized agent failed to furnish the resale package, or any portion thereof, as required by this section.

3. Within 10 days after receipt of a written request by a unit's owner or his or her authorized agent, the association shall furnish all of the following to the unit's owner or his or her authorized agent for inclusion in the resale package:

(a) Copies of the documents required pursuant to paragraphs (a) and (c) of subsection 1; and

(b) A certificate containing the information necessary to enable the unit's owner to comply with paragraphs (b), (d) and (e) of subsection 1.

4. If the association furnishes the documents and certificate pursuant to subsection 3:

(a) The unit's owner or his or her authorized agent shall include the documents and certificate in the resale package provided to the purchaser, and neither the unit's owner nor his or her authorized agent is liable to the purchaser for any erroneous information provided by the association and included in the documents and certificate.

(b) The association may charge the unit's owner a reasonable fee to cover the cost of preparing the certificate furnished pursuant to subsection 3. Such a fee must be based on the actual cost the association incurs to fulfill the requirements of this section in preparing the certificate. The Commission shall adopt regulations establishing the maximum amount of the fee that an association may charge for preparing the certificate.

(c) The association may charge the unit's owner a reasonable fee, not to exceed 25 cents per page, to cover the cost of copying the other documents furnished pursuant to subsection 3.

(d) Except for the fees allowed pursuant to paragraphs (b) and (c), the association may not charge the unit's owner any other fees for preparing or furnishing the documents and certificate pursuant to subsection 3.

5. Neither a purchaser nor the purchaser's interest in a unit is liable for any unpaid assessment or fee greater than the amount set forth in the documents and certificate prepared by the association. If the association fails to furnish the documents and certificate within the 10 days allowed by this section, the seller is not liable for the delinquent assessment.

6. Upon the request of a unit's owner or his or her authorized agent, or upon the request of a purchaser to whom the unit's owner has provided a resale package pursuant to this section or his or her authorized agent, the association shall make the entire study of the reserves of the association which is required by NRS 116.31152 reasonably available for the unit's owner, purchaser or authorized agent to inspect, examine, photocopy and audit. The study must be made available at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties.

7. *An association or a community manager may not charge a unit's owner, and may not require a unit's owner to pay, a fee of more than \$50 to cover the cost of recording in the books and records of the association or community manager the transfer of the ownership of the unit.*

Sec. 12. NRS 649.370 is hereby amended to read as follows:

649.370 **1.** A violation of any provision of the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ ~~1682~~ **1692** et seq., or any regulation adopted pursuant thereto, shall be deemed to be a violation of this chapter.

2. Even if a claim is not governed by the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq., a violation of any provision of that Act, or any regulation adopted pursuant thereto, with respect to collecting or attempting to collect a claim owed to a unit-owners' association by a unit's owner shall be deemed to be a violation of this chapter.

Sec. 13. The amendatory provisions of sections 9 and 10 of this act apply only if a notice of default and election to sell is recorded pursuant to NRS 116.31162 on or after July 1, 2011.

Sec. 14. This act becomes effective on July 1, 2011.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 478.

AN ACT relating to common-interest communities; revising provisions governing the collection of past due financial obligations in common-interest communities; establishing limits on the amount which may be charged to a unit's owner to cover the costs of collecting a past due financial obligation; revising provisions governing an association's lien for assessments; revising provisions governing the foreclosure of an association's lien by sale; revising provisions governing the manner of collecting debts owed to an association; establishing a limit on the amount of the fee which may be charged to a unit's owner to record a transfer of the unit in the records of the association; revising various provisions relating to common-interest communities; **providing a penalty**; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes certain restrictions on the actions of an association of a common-interest community with respect to regulating the use of a unit by a unit's owner. (NRS 116.2111) **Section 3** of this bill prohibits an association from prohibiting or unreasonably restricting a unit's owner from installing and using a clothesline within the boundaries of his or her unit.

Existing law requires the Commission for Common-Interest Communities and Condominium Hotels to adopt regulations establishing the amount of the fees that may be charged to a unit's owner to cover the costs of collecting a past due financial obligation owed to an association of a common-interest community. (NRS 116.310313) **Section 5** of this bill prohibits the association from charging a unit's owner the costs of collecting a past due obligation unless ~~two-thirds of the total number of voting members of the association~~ **a majority of the units' owners who cast votes** approve a collection policy for the association. **Section 5 also: (1)** requires the collection policy to ~~establish the rates for~~ **include a list or schedule of the maximum amount of each fee, cost, charge or other amount which may be charged to a unit's owner to cover** the costs of collecting a past due obligation; **and (2)** establishes limits on the amount a unit's owner may be charged to cover the costs of collecting such obligations, which are based on the amount of the outstanding balance of the past due obligation. In addition,

section 5 : (1) prohibits an association from transferring to another person, other than an officer or employee of the association or its community manager, the collection activity with respect to a fine for a violation of the governing documents; and (2) establishes limits on the amount of the fee charged to a unit's owner to transfer an account for collection and to change the name of the unit's owner on such an account.

Under existing law, the association has a lien for certain amounts due the association. This lien is prior to the lien of a first security interest on the unit to the extent of charges incurred by the association to maintain certain units which are being foreclosed and to the extent of a specified number of months of assessments. (NRS 116.3116) **Section 8** of this bill provides that if the title to the unit is acquired at a foreclosure sale or trustee's sale and the mortgage on the unit was insured by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the amount secured by the lien given priority must not exceed the amount of common expenses and assessments authorized to be given such priority by the federal regulations or underwriting guidelines of the federal entity which insured the debt.

Existing law authorizes the association to foreclose its lien by sale of the unit and prescribes the procedures for such a foreclosure. (NRS 116.31162-116.31168) ~~{Sections}~~ **Section 9** ~~{and 10}~~ of this bill ~~{revise}~~ **revises** provisions governing such foreclosures by prohibiting the association from: (1) foreclosing its lien by sale based on delinquent assessments unless the amount of delinquent assessments exceeds a certain amount; **and** (2) foreclosing its lien by sale unless the executive board of the association ~~{authorizes}~~ **votes to authorize** the foreclosure. ~~{in an executive session after providing notice of the meeting to a unit's owner; and (3) selling the unit and charging any costs of collecting to a unit's owner if the sale does not occur within 120 days after the association mails the notice of default and election to sell to the unit's owner.}~~

Existing law requires the association to provide a statement of any transfer fees, transaction fees or any other fees associated with the resale of a unit in the resale package which is provided to a potential purchaser of a unit. (NRS 116.4109) **Section 11** of this bill establishes a limit of not more than \$50 on a fee charged to a unit's owner to record the transfer of a unit in the records of the association or its community manager.

Existing law provides that a collection agency which violates the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq., or any regulation adopted pursuant thereto violates the provisions in existing state law relating to collection agencies. (NRS 649.370) Because the Fair Debt Collection Practices Act applies to consumer debts owed by natural persons, it does not apply when a collection agency collects any debt owed by an entity. (15 U.S.C. §§ 1692 et seq.) **Section 12** of this bill provides that a collection agency which violates the federal Fair Debt Collection Practices Act with respect to any debt owed to an association by a unit's owner is deemed to violate existing state law relating to collection agencies.

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

Section 1. Chapter 116 of NRS is hereby amended by adding thereto a new section to read as follows:

“Costs of collecting” includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a notice of default and election to sell or notice of foreclosure sale or a rescission thereof, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association charges a unit’s owner for the investigation, enforcement or collection of a past due obligation. The term does not include any costs incurred by an association if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.

Sec. 2. NRS 116.003 is hereby amended to read as follows:

116.003 As used in this chapter and in the declaration and bylaws of an association, unless the context otherwise requires, the words and terms defined in NRS 116.005 to 116.095, inclusive, **and section 1 of this act** have the meanings ascribed to them in those sections.

Sec. 3. NRS 116.2111 is hereby amended to read as follows:

116.2111 1. Except as otherwise provided in this section and subject to the provisions of the declaration and other provisions of law, a unit’s owner:

(a) May make any improvements or alterations to his or her unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community;

(b) May not change the appearance of the common elements, or the exterior appearance of a unit or any other portion of the common-interest community, without permission of the association; and

(c) After acquiring an adjoining unit or an adjoining part of an adjoining unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.

2. An association may not:

(a) Unreasonably restrict, prohibit or otherwise impede the lawful rights of a unit’s owner to have reasonable access to his or her unit.

(b) Charge any fee for a person to enter the common-interest community to provide services to a unit, a unit’s owner or a tenant of a unit’s owner or for any visitor to the common-interest community or invitee of a unit’s owner or a tenant of a unit’s owner to enter the common-interest community.

(c) Unreasonably restrict, prohibit or withhold approval for a unit’s owner to add to a unit:

(1) Improvements such as ramps, railings or elevators that are necessary to improve access to the unit for any occupant of the unit who has a disability;

(2) Additional locks to improve the security of the unit;

(3) Shutters to improve the security of the unit or to reduce the costs of energy for the unit; or

(4) A system that uses wind energy to reduce the costs of energy for the unit if the boundaries of the unit encompass 2 acres or more within the common-interest community.

(d) With regard to approving or disapproving any improvement or alteration made to a unit, act in violation of any state or federal law.

(e) Prohibit or unreasonably restrict a unit's owner from installing and using a clothesline within the boundaries of his or her unit.

3. Any improvement or alteration made pursuant to subsection 2 that is visible from any other portion of the common-interest community must be installed, constructed or added in accordance with the procedures set forth in the governing documents of the association and must be selected or designed to the maximum extent practicable to be compatible with the style of the common-interest community.

4. An association may not unreasonably restrict, prohibit or withhold approval for a unit's owner to add shutters to improve the security of the unit or to reduce the costs of energy for the unit, including, without limitation, rolling shutters, that are attached to a portion of an interior or exterior window, interior or exterior door or interior or exterior wall which is not part of the unit and which is a common element or limited common element if:

(a) The portion of the window, door or wall to which the shutters are attached is adjoining the unit; and

(b) The shutters must necessarily be attached to that portion of the window, door or wall during installation to achieve the maximum benefit in improving the security of the unit or reducing the costs of energy for the unit.

5. If a unit's owner adds shutters pursuant to subsection 4, the unit's owner is responsible for the maintenance of the shutters.

6. For the purposes of subsection 4, a covenant, restriction or condition which does not unreasonably restrict the addition of shutters and which is contained in the governing documents of a common-interest community or a policy established by a common-interest community is enforceable so long as the covenant, restriction or condition was:

(a) In existence on July 1, 2009; or

(b) Contained in the governing documents in effect on the close of escrow of the first sale of a unit in the common-interest community.

7. A unit's owner may not add to the unit a system that uses wind energy as described in subparagraph (4) of paragraph (c) of subsection 2 unless the unit's owner first obtains the written consent of each owner of property within 300 feet of any boundary of the unit.

Sec. 4. NRS 116.310312 is hereby amended to read as follows:

116.310312 1. A person who holds a security interest in a unit must provide the association with the person's contact information as soon as reasonably practicable, but not later than 30 days after the person:

(a) Files an action for recovery of a debt or enforcement of any right secured by the unit pursuant to NRS 40.430; or

(b) Records or has recorded on his or her behalf a notice of a breach of obligation secured by the unit and the election to sell or have the unit sold pursuant to NRS 107.080.

2. If an action or notice described in subsection 1 has been filed or recorded regarding a unit and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may, but is not required to, enter the grounds of the unit, whether or not the unit is vacant, to take any of the following actions if the unit's owner refuses or fails to take any action or comply with any requirement imposed on the unit's owner within the time specified by the association as a result of the hearing:

(a) Maintain the exterior of the unit in accordance with the standards set forth in the governing documents, including, without limitation, any provisions governing maintenance, standing water or snow removal.

(b) Remove or abate a public nuisance on the exterior of the unit which:

(1) Is visible from any common area of the community or public streets;

(2) Threatens the health or safety of the residents of the common-interest community;

(3) Results in blighting or deterioration of the unit or surrounding area; and

(4) Adversely affects the use and enjoyment of nearby units.

3. If a unit is vacant and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may enter the grounds of the unit to maintain the exterior of the unit or abate a public nuisance as described in subsection 2 if the unit's owner refuses or fails to do so.

4. The association may order that the costs of any maintenance or abatement conducted pursuant to subsection 2 or 3, including, without limitation, reasonable inspection fees, notification and collection costs and interest, be charged against the unit. The association shall keep a record of such costs and interest charged against the unit and has a lien on the unit for any unpaid amount of the charges. The lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

5. A lien described in subsection 4 bears interest from the date that the charges become due at a rate determined pursuant to NRS 17.130 until the charges, including all interest due, are paid.

6. ~~Except as otherwise provided in this subsection,~~ **Subject to the limitations provided in NRS 116.3116,** a lien described in subsection 4 is

prior and superior to all liens, claims, encumbrances and titles other than the liens described in paragraphs (a) and (c) of subsection 2 of NRS 116.3116. ~~[If the federal regulations of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien, the period during which the lien is prior and superior to other security interests shall be determined in accordance with those federal regulations. Notwithstanding the federal regulations, the period of priority of the lien must not be less than the 6 months immediately preceding the institution of an action to enforce the lien.]~~

7. A person who purchases or acquires a unit at a foreclosure sale pursuant to NRS 40.430 or a trustee's sale pursuant to NRS 107.080 is bound by the governing documents of the association and shall maintain the exterior of the unit in accordance with the governing documents of the association. Such a unit may only be removed from a common-interest community in accordance with the governing documents pursuant to this chapter.

8. Notwithstanding any other provision of law, an association, its directors or members of the executive board, employees, agents or community manager who enter the grounds of a unit pursuant to this section are not liable for trespass.

9. As used in this section:

(a) "Exterior of the unit" includes, without limitation, all landscaping outside of a unit and the exterior of all property exclusively owned by the unit owner.

(b) "Vacant" means a unit:

- (1) Which reasonably appears to be unoccupied;
- (2) On which the owner has failed to maintain the exterior to the standards set forth in the governing documents the association; and
- (3) On which the owner has failed to pay assessments for more than 60 days.

Sec. 5. NRS 116.310313 is hereby amended to read as follows:

116.310313 1. An association may **not** charge a unit's owner ~~[reasonable fees to cover]~~ the costs of collecting any past due obligation ~~[The Commission shall adopt regulations establishing the amount of the fees that an association may charge pursuant to this section.]~~ **unless:**

(a) The executive board proposes a collection policy which includes, without limitation:

(1) The responsibility of the unit's owner to pay an obligation in a timely manner;

(2) The association's rights concerning the collection of an obligation if the unit's owner fails to pay the obligation in a timely manner; and

*(3) ~~[The rate established by the association for]~~ **A list or schedule of the maximum amount of each fee, cost, charge or other amount which may be charged to a unit's owner to cover the costs of collecting a past due obligation; and***

(b) ~~Units' owners constituting [at least two thirds] a majority [of the total number of voting members of the association]~~ a majority of the votes cast approve the collection policy proposed by the executive board.

2. Subject to the limitation set forth in subsection 3, if, pursuant to subsection 1, the association is authorized to charge a unit's owner the costs of collecting a past due obligation, the rate established by the association for the costs of collecting the past due obligation:

(a) May not exceed \$50, if the outstanding balance is less than \$200.

(b) May not exceed \$75, if the outstanding balance is \$200 or more but is less than \$500.

(c) May not exceed \$100, if the outstanding balance is \$500 or more but is less than \$1,000.

(d) May not exceed \$250, if the outstanding balance is \$1,000 or more but is less than \$5,000.

(e) May not exceed \$500, if the outstanding balance is \$5,000 or more.

3. The rate established by the association for the costs of collecting a past due obligation must provide that, during any 24-month period, the association may not charge a unit's owner the costs of collecting a past due obligation in an amount which exceeds \$600 per unit.

4. An association may not transfer an account for the collection of a past due fine for a violation of the governing documents to any person other than an officer or employee of the association or the community manager. If an association transfers an account for the collection of a past due fine for a violation of the governing documents to the community manager of the association, the community manager may not transfer the account to any person other than an officer or employee of the community manager.

5. Each written attempt to collect from a unit's owner a past due obligation which is more than 60 days past due in which the association or its authorized agent expresses an intent to engage in further collection activity if the unit's owner fails to pay the total amount due must include:

(a) A statement of the current amount due; and

(b) A schedule of the amount of the fees, costs, charges or other amounts which may be charged to the unit's owner if the unit's owner fails to pay the total amount due.

↪ For the purposes of this subsection, providing a standard monthly statement or a coupon book is not an attempt to collect a past due obligation.

6. The provisions of this section apply to any costs of collecting a past due obligation charged to a unit's owner, regardless of whether the past due obligation is collected by the association itself or by any person acting on behalf of the association, including, without limitation, an officer or employee of the association, a community manager or a collection agency.

~~5.7~~ 7. An association or a community manager may not charge a unit's owner, or require a unit's owner to pay, a fee of more than:

(a) Fifty dollars for transferring an account for the collection of a past due obligation to another person; and

(b) Twenty-five dollars for changing the name of the unit's owner on the account for the collection of a past due obligation.

~~13.1~~ ~~6.1~~ **8.** As used in this section:

(a) ~~“Costs of collecting” includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a lien or lien rescission, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association charges a unit's owner for the investigation, enforcement or collection of a past due obligation. The term does not include any costs incurred by an association if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.~~

~~(b)~~ “Obligation” means any assessment, fine, construction penalty, fee, charge or interest levied or imposed against a unit's owner pursuant to any provision of this chapter or the governing documents.

(b) “Outstanding balance” means the amount of a past due obligation that remains unpaid before any interest, charges for late payment or costs of collecting the past due obligation are added.

Sec. 6. NRS 116.31085 is hereby amended to read as follows:

116.31085 1. Except as otherwise provided in this section, a unit's owner may attend any meeting of the units' owners or of the executive board and speak at any such meeting. The executive board may establish reasonable limitations on the time a unit's owner may speak at such a meeting.

2. An executive board may not meet in executive session to open or consider bids for an association project as defined in NRS 116.31086, or to enter into, renew, modify, terminate or take any other action regarding a contract.

3. An executive board may meet in executive session only to:

(a) Consult with the attorney for the association on matters relating to proposed or pending litigation if the contents of the discussion would otherwise be governed by the privilege set forth in NRS 49.035 to 49.115, inclusive.

(b) Discuss the character, alleged misconduct, professional competence, or physical or mental health of a community manager or an employee of the association.

(c) Except as otherwise provided in subsection 4, discuss a violation of the governing documents, including, without limitation, the failure to pay an assessment.

(d) Discuss the alleged failure of a unit's owner to adhere to a schedule required pursuant to NRS 116.310305 if the alleged failure may subject the unit's owner to a construction penalty.

(e) Discuss an authorization to foreclose the association's lien by sale pursuant to paragraph (b) of subsection 1 of NRS 116.31162. The vote of

each member of the executive board concerning whether to authorize the foreclosure of the association's lien by sale must be recorded in the minutes of the meeting.

4. An executive board shall meet in executive session to hold a hearing on an alleged violation of the governing documents unless the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted by the executive board. If the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted, the person:

(a) Is entitled to attend all portions of the hearing related to the alleged violation, including, without limitation, the presentation of evidence and the testimony of witnesses;

(b) Is entitled to due process, as set forth in the standards adopted by regulation by the Commission, which must include, without limitation, the right to counsel, the right to present witnesses and the right to present information relating to any conflict of interest of any member of the hearing panel; and

(c) Is not entitled to attend the deliberations of the executive board.

5. The provisions of subsection 4 establish the minimum protections that the executive board must provide before it may make a decision. The provisions of subsection 4 do not preempt any provisions of the governing documents that provide greater protections.

6. Except as otherwise provided in this subsection, any matter discussed by the executive board when it meets in executive session must be generally noted in the minutes of the meeting of the executive board. The executive board shall maintain minutes of any decision made pursuant to subsection 4 concerning an alleged violation and, upon request, provide a copy of the decision to the person who was subject to being sanctioned at the hearing or to the person's designated representative.

7. Except as otherwise provided in subsection 4, a unit's owner is not entitled to attend or speak at a meeting of the executive board held in executive session.

Sec. 7. NRS 116.31151 is hereby amended to read as follows:

116.31151 1. Except as otherwise provided in subsection 2 and unless the declaration of a common-interest community imposes more stringent standards, the executive board shall, not less than 30 days or more than 60 days before the beginning of the fiscal year of the association, prepare and distribute to each unit's owner a copy of:

(a) The budget for the daily operation of the association. The budget must include, without limitation, the estimated annual revenue and expenditures of the association and any contributions to be made to the reserve account of the association.

(b) The budget to provide adequate funding for the reserves required by paragraph (b) of subsection 2 of NRS 116.3115. The budget must include, without limitation:

(1) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(2) As of the end of the fiscal year for which the budget is prepared, the current estimate of the amount of cash reserves that are necessary, and the current amount of accumulated cash reserves that are set aside, to repair, replace or restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(3) A statement as to whether the executive board has determined or anticipates that the levy of one or more special assessments will be necessary to repair, replace or restore any major component of the common elements or any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore or to provide adequate funding for the reserves designated for that purpose; and

(4) A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to subparagraph (2), including, without limitation, the qualifications of the person responsible for the preparation of the study of the reserves required by NRS 116.31152.

2. In lieu of distributing copies of the budgets of the association required by subsection 1, the executive board may distribute to each unit's owner a summary of those budgets, accompanied by a written notice that:

(a) The budgets are available for review at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties but not to exceed 60 miles from the physical location of the common-interest community; and

(b) Copies of the budgets will be provided upon request.

3. Within 60 days after adoption of any proposed budget for the common-interest community, the executive board shall provide a summary of the proposed budget to each unit's owner and shall set a date for a meeting of the units' owners to consider ratification of the proposed budget not less than 14 days or more than 30 days after the mailing of the summaries. Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the units' owners must be continued until such time as the units' owners ratify a subsequent budget proposed by the executive board.

4. The executive board shall, at the same time and in the same manner that the executive board makes the budget available to a unit's owner pursuant to this section, make available to each unit's owner the **collection** policy ~~established~~ for the association ~~concerning the collection of any fees,~~

~~finances, assessments or costs imposed against a unit's owner pursuant to this chapter. The policy must include, without limitation:~~

~~(a) The responsibility of the unit's owner to pay any such fees, fines, assessments or costs in a timely manner; and~~

~~(b) The association's rights concerning the collection of such fees, fines, assessments or costs if the unit's owner fails to pay the fees, fines, assessments or costs in a timely manner.~~ **adopted pursuant to NRS 116.310313.**

Sec. 8. NRS 116.3116 is hereby amended to read as follows:

116.3116 1. The association has a lien on a unit for any construction penalty that is imposed against the unit's owner pursuant to NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment or fine becomes due. Unless the declaration otherwise provides, any penalties, fees, charges, late charges, fines and interest charged pursuant to paragraphs (j) to (n), inclusive, of subsection 1 of NRS 116.3102 are enforceable as assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

2. A lien under this section is prior to all other liens and encumbrances on a unit except:

(a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances which the association creates, assumes or takes subject to;

(b) A first security interest on the unit recorded before the date on which the assessment sought to be enforced became delinquent or, in a cooperative, the first security interest encumbering only the unit's owner's interest and perfected before the date on which the assessment sought to be enforced became delinquent; and

(c) Liens for real estate taxes and other governmental assessments or charges against the unit or cooperative.

{→}

3. The lien **under this section** is also prior to all security interests described in paragraph (b) **of subsection 2** to the extent of any charges incurred by the association on a unit pursuant to NRS 116.310312 and to the extent of the assessments for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which would have become due in the absence of acceleration during the 9 months immediately preceding institution of an action to enforce the lien, unless federal regulations **or underwriting guidelines** adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien. If federal regulations **or underwriting guidelines** adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien, the period ~~during which the lien is prior to all security interests~~

~~described in paragraph (b)~~ **of priority** must be determined in accordance with those federal regulations ~~1-1~~ **or underwriting guidelines**, except that notwithstanding the provisions of the federal regulations ~~1-1~~ **or underwriting guidelines**, the period of priority for the lien must not be less than the 6 months immediately preceding institution of an action to enforce the lien. ~~{This subsection does}~~ **If title to a unit is acquired by a sale conducted pursuant to NRS 40.430 or 107.080 to obtain payment of a debt secured by a security interest described in paragraph (b) of subsection 2 and that debt was insured by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the amount secured by the lien given priority over the security interests described in paragraph (b) of subsection 2 must not exceed the amount of common expenses and assessments authorized to be given such priority by the federal regulations or underwriting guidelines adopted by the entity which insured the debt.**

4. The provisions of subsections 2 and 3 do not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the association.

~~{3-1}~~ **5.** Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority.

~~{4-1}~~ **6.** Recording of the declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this section is required.

~~{5-1}~~ **7.** A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within 3 years after the full amount of the assessments becomes due.

~~{6-1}~~ **8.** This section does not prohibit actions to recover sums for which subsection 1 creates a lien or prohibit an association from taking a deed in lieu of foreclosure.

~~{7-1}~~ **9.** A judgment or decree in any action brought under this section must include costs and reasonable attorney's fees for the prevailing party.

~~{8-1}~~ **10.** The association, upon written request, shall furnish to a unit's owner a statement setting forth the amount of unpaid assessments against the unit. If the interest of the unit's owner is real estate or if a lien for the unpaid assessments may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the statement must be in recordable form. The statement must be furnished within 10 business days after receipt of the request and is binding on the association, the executive board and every unit's owner.

~~{9-1}~~ **11.** In a cooperative, upon nonpayment of an assessment on a unit, the unit's owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and:

(a) In a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, the association's lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

(b) In a cooperative where the owner's interest in a unit is personal property under NRS 116.1105, the association's lien:

(1) May be foreclosed as a security interest under NRS 104.9101 to 104.9709, inclusive; or

(2) If the declaration so provides, may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

Sec. 9. NRS 116.31162 is hereby amended to read as follows:

116.31162 1. Except as otherwise provided in ~~subsection~~ **subsections 4 [1] and 5, ~~and paragraph (a) of subsection 2 of NRS 116.31164,~~ in a condominium, in a planned community, in a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, or in a cooperative where the owner's interest in a unit is personal property under NRS 116.1105 and the declaration provides that a lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the association may foreclose its lien by sale after all of the following occur:**

(a) The association has mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest, at his or her address, if known, and at the address of the unit, a notice of delinquent assessment which states the amount of the assessments and other sums which are due in accordance with subsection 1 of NRS 116.3116, a description of the unit against which the lien is imposed and the name of the record owner of the unit.

(b) ***Before the association records the notice of default and election to sell in the manner required by paragraph (c), the executive board authorizes the foreclosure of the association's lien by sale by a majority vote of the members of the executive board which is recorded in the minutes of the meeting at which such action is taken.*** ~~*Except as otherwise provided in this paragraph, if the lien is imposed against a unit which is occupied by the unit's owner, not later than 20 days before the meeting, the association must provide to the unit's owner or his or her successor in interest by personal delivery notice that the executive board will determine whether to authorize the foreclosure of the association's lien by sale of the unit. If the lien is imposed against a unit which is not occupied by the unit's owner, the association may provide the notice by first class mail to the last known mailing address of the unit's owner.*~~

(c) Not less than 30 days after mailing the notice of delinquent assessment pursuant to paragraph (a), the association or other person conducting the sale has executed and caused to be recorded, with the county recorder of the county in which the common-interest community or any part of it is situated, a notice of default and election to sell the unit to satisfy the lien which must contain the same information as the notice of delinquent assessment and which must also comply with the following:

(1) Describe the deficiency in payment.

(2) State the name and address of the person authorized by the association to enforce the lien by sale.

(3) Contain, in 14-point bold type, the following warning:

WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE!

~~1(c)~~ **(d)** The unit's owner or his or her successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement, for 90 days following the recording of the notice of default and election to sell.

2. The notice of default and election to sell must be signed by the person designated in the declaration or by the association for that purpose or, if no one is designated, by the president of the association.

3. The period of 90 days begins on the first day following:

(a) The date on which the notice of default is recorded; or

(b) The date on which a copy of the notice of default is mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest at his or her address, if known, and at the address of the unit,

↪ whichever date occurs later.

4. The association may not foreclose a lien by sale based on a fine or penalty for a violation of the governing documents of the association unless:

(a) The violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community; or

(b) The penalty is imposed for failure to adhere to a schedule required pursuant to NRS 116.310305.

5. *The association may not foreclose a lien by sale based on a delinquent assessment unless the amount of the delinquent assessment, excluding acceleration and any interest, charges for late payment or costs of collecting the assessment:*

(a) *Is more than \$1,800; or*

(b) *Is equal to or greater than the assessments for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which became due during the 12 months immediately preceding institution of the foreclosure.*

Sec. 10. ~~[NRS 116.31164 is hereby amended to read as follows:~~

~~116.31164 1. The sale must be conducted in the county in which the common interest community or part of it is situated, and may be conducted by the association, its agent or attorney, or a title insurance company or escrow agent licensed to do business in this State, except that the sale may be made at the office of the association if the notice of the sale so provided, whether the unit is located within the same county as the office of the association or not. The association or other person conducting the sale may from time to time postpone the sale by such advertisement and notice as it considers reasonable or, without further advertisement or notice, by~~

~~proclamation made to the persons assembled at the time and place previously set and advertised for the sale.~~

~~2. If the sale does not occur within 120 days after the date on which a copy of the notice of default and election to sell was personally delivered or mailed to the unit's owner or his or her successor in interest in the manner required by paragraph (b) of subsection 1 of NRS 116.31162, the association and any person acting on behalf of the association may not:~~

~~(a) Foreclose the association's lien by sale; or~~

~~(b) Charge to, or collect from, the unit's owner or his or her successor in interest any costs of collecting the past due obligation to which the notice of default relates unless the unit's owner or his or her successor in interest has agreed to a payment plan which includes the payment, in whole or in part, of the costs of collecting the past due obligation.~~

~~3. On the day of sale originally advertised or to which the sale is postponed, at the time and place specified in the notice or postponement, the person conducting the sale may sell the unit at public auction to the highest cash bidder. Unless otherwise provided in the declaration or by agreement, the association may purchase the unit and hold, lease, mortgage or convey it. The association may purchase by a credit bid up to the amount of the unpaid assessments and any permitted costs, fees and expenses incident to the enforcement of its lien.~~

~~{3.} 4. After the sale, the person conducting the sale shall:~~

~~(a) Make, execute and, after payment is made, deliver to the purchaser, or his or her successor or assign, a deed without warranty which conveys to the grantee all title of the unit's owner to the unit;~~

~~(b) Deliver a copy of the deed to the Ombudsman within 30 days after the deed is delivered to the purchaser, or his or her successor or assign; and~~

~~(c) Apply the proceeds of the sale for the following purposes in the following order:~~

~~(1) The reasonable expenses of sale;~~

~~(2) The reasonable expenses of securing possession before sale, holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges, premiums on hazard and liability insurance, and, to the extent provided for by the declaration, reasonable attorney's fees and other legal expenses incurred by the association;~~

~~(3) Satisfaction of the association's lien;~~

~~(4) Satisfaction in the order of priority of any subordinate claim of record; and~~

~~(5) Remittance of any excess to the unit's owner.} (Deleted by amendment.)~~

Sec. 11. NRS 116.4109 is hereby amended to read as follows:

116.4109 1. Except in the case of a sale in which delivery of a public offering statement is required, or unless exempt under subsection 2 of NRS 116.4101, a unit's owner or his or her authorized agent shall, at the

expense of the unit's owner, furnish to a purchaser a resale package containing all of the following:

(a) A copy of the declaration, other than any plats, the bylaws, the rules or regulations of the association and the information statement required by NRS 116.41095;

(b) A statement setting forth the amount of the monthly assessment for common expenses and any unpaid assessment of any kind currently due from the selling unit's owner;

(c) A copy of the current operating budget of the association and current year-to-date financial statement for the association, which must include a summary of the reserves of the association required by NRS 116.31152 and which must include, without limitation, a summary of the information described in paragraphs (a) to (e), inclusive, of subsection 3 of NRS 116.31152;

(d) A statement of any unsatisfied judgments or pending legal actions against the association and the status of any pending legal actions relating to the common-interest community of which the unit's owner has actual knowledge;

(e) A statement of any transfer fees, transaction fees or any other fees associated with the resale of a unit; and

(f) In addition to any other document, a statement describing all current and expected fees or charges for each unit, including, without limitation, association fees, fines, assessments, late charges or penalties, interest rates on delinquent assessments, additional costs for collecting past due fines and charges for opening or closing any file for each unit.

2. The purchaser may, by written notice, cancel the contract of purchase until midnight of the fifth calendar day following the date of receipt of the resale package described in subsection 1, and the contract for purchase must contain a provision to that effect. If the purchaser elects to cancel a contract pursuant to this subsection, the purchaser must hand deliver the notice of cancellation to the unit's owner or his or her authorized agent or mail the notice of cancellation by prepaid United States mail to the unit's owner or his or her authorized agent. Cancellation is without penalty, and all payments made by the purchaser before cancellation must be refunded promptly. If the purchaser has accepted a conveyance of the unit, the purchaser is not entitled to:

(a) Cancel the contract pursuant to this subsection; or

(b) Damages, rescission or other relief based solely on the ground that the unit's owner or his or her authorized agent failed to furnish the resale package, or any portion thereof, as required by this section.

3. Within 10 days after receipt of a written request by a unit's owner or his or her authorized agent, the association shall furnish all of the following to the unit's owner or his or her authorized agent for inclusion in the resale package:

(a) Copies of the documents required pursuant to paragraphs (a) and (c) of subsection 1; and

(b) A certificate containing the information necessary to enable the unit's owner to comply with paragraphs (b), (d) and (e) of subsection 1.

4. If the association furnishes the documents and certificate pursuant to subsection 3:

(a) The unit's owner or his or her authorized agent shall include the documents and certificate in the resale package provided to the purchaser, and neither the unit's owner nor his or her authorized agent is liable to the purchaser for any erroneous information provided by the association and included in the documents and certificate.

(b) The association may charge the unit's owner a reasonable fee to cover the cost of preparing the certificate furnished pursuant to subsection 3. Such a fee must be based on the actual cost the association incurs to fulfill the requirements of this section in preparing the certificate. The Commission shall adopt regulations establishing the maximum amount of the fee that an association may charge for preparing the certificate.

(c) The association may charge the unit's owner a reasonable fee, not to exceed 25 cents per page, to cover the cost of copying the other documents furnished pursuant to subsection 3.

(d) Except for the fees allowed pursuant to paragraphs (b) and (c), the association may not charge the unit's owner any other fees for preparing or furnishing the documents and certificate pursuant to subsection 3.

5. Neither a purchaser nor the purchaser's interest in a unit is liable for any unpaid assessment or fee greater than the amount set forth in the documents and certificate prepared by the association. If the association fails to furnish the documents and certificate within the 10 days allowed by this section, the seller is not liable for the delinquent assessment.

6. Upon the request of a unit's owner or his or her authorized agent, or upon the request of a purchaser to whom the unit's owner has provided a resale package pursuant to this section or his or her authorized agent, the association shall make the entire study of the reserves of the association which is required by NRS 116.31152 reasonably available for the unit's owner, purchaser or authorized agent to inspect, examine, photocopy and audit. The study must be made available at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties.

7. *An association or a community manager may not charge a unit's owner, and may not require a unit's owner to pay, a fee of more than \$50 to cover the cost of recording in the books and records of the association or community manager the transfer of the ownership of the unit.*

Sec. 12. NRS 649.370 is hereby amended to read as follows:

649.370 **1.** A violation of any provision of the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ ~~1682~~ **1692** et seq., or any regulation adopted pursuant thereto, shall be deemed to be a violation of this chapter.

2. Even if a claim is not governed by the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq., a violation of any provision of that Act, or any regulation adopted pursuant thereto, with respect to collecting or attempting to collect a claim owed to a unit-owners' association by a unit's owner shall be deemed to be a violation of this chapter.

Sec. 13. The amendatory provisions of ~~sections~~ **section 9** ~~and 10~~ of this act apply only if a notice of default and election to sell is recorded pursuant to NRS 116.31162 on or after July 1, 2011.

Sec. 14. This act becomes effective on July 1, 2011.

Assemblymen Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 412.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 375.

AN ACT relating to liens; requiring certain owners and lessees to obtain the services of an escrow agency and to establish trust accounts for amounts withheld from payment to contractors and subcontractors; requiring those owners and lessees to record a notice of establishment of a trust account **and a verification of compliance** under certain circumstances; establishing requirements for administering such trust accounts; providing that a lien claimant has a lien against such retention amounts and trust accounts under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, contractors and subcontractors who provide work, material or equipment for the construction, alteration or repair of property or improvements to property have a lien against the property, improvements and certain disbursement accounts for a certain amount related to that work, material or equipment. (NRS 108.222) **Section 7.5 of this bill establishes certain limitations and requirements with respect to retention amounts, which are certain amounts withheld from payment to contractors and subcontractors until the work is completed or materials or equipment are furnished. Section 8** of this bill requires certain owners and lessees for certain contracts for construction to establish trust accounts for retention amounts. ~~which are certain amounts withheld from payment to contractors and subcontractors until the work is completed or the materials or equipment are furnished.~~ Specifically, **section 8** requires those owners and lessees to obtain the services of an escrow agency and record a notice of establishment of a trust account if: (1) the total price or estimated budget of the contract is \$1,000,000 or more; and (2) the owner or lessee is authorized by the contract

to withhold a retention amount. ~~{Section}~~ **Sections 7.5 and 9** of this bill ~~{establishes}~~ **establish** requirements for the retention amounts ~~{, including making clear that retention amounts remain the separate property of the prime contractor and lower-tiered subcontractors from whom they are withheld.}~~

~~Section {10 of this bill}~~ **9** further requires, with certain exceptions, an owner or lessee who withholds a retention amount to immediately cause the withheld amount to be deposited in a trust account. If the lessee, pursuant to existing law, establishes a construction disbursement account which funds the account in an amount equal to the total cost of the work of improvement, ~~section {10}~~ **9** requires the retention amount to be transferred from the construction distribution account to the trust account. ~~Section {10}~~ **9** also provides ~~{that, under certain circumstances,}~~ **for a rebuttable presumption that** an owner, lessee ~~{and contractor}~~ **or escrow agency** has ~~{a claim against the retention amount if the contractor or subcontractor with whom the person contracted does not perform or complete the work required by the contract.}~~ **breached its fiduciary duties with respect to a retention amount if the owner, lessee or escrow agency uses the retention amount in violation of the provisions of this bill.**

Section 10 of this bill provides the manner in which retention amounts are paid from an owner or lessee to a prime contractor, and from the prime contractor to his or her lower-tiered subcontractors. Section 10 also authorizes the stoppage of work on, or the termination of a contract for, the construction, alteration or repair of an improvement or work of improvement under certain circumstances. Section 10 additionally requires an owner, lessee or escrow agency to execute and have recorded a verification of compliance as to the disposition of retention amounts.

Section 11 of this bill establishes the requirements for administering such trust accounts, including, without limitation, the requirements for keeping records and the procedures for an accounting of such trust accounts. ~~{Section 11 further provides that an escrow agency and its bond are liable for certain resulting damages if the escrow agency fails to comply with those requirements.}~~

Section 14 of this bill provides, with certain exceptions, that contractors or subcontractors who provide work, material or equipment for the construction, alteration or repair of property or improvements to property have a lien against such retention amounts ~~{and trust accounts}~~ in addition to having a lien against the property and improvements and any construction disbursement account that has been established.

Under existing law, certain persons, including, without limitation, certain financial institutions, attorneys rendering services in the performance of their duties as attorneys, and any person doing any act under order of any court, are exempt from the provisions governing escrow agencies and agents. (NRS 645A.015) **Section 22** of this bill provides that those persons are not

exempt from the provisions governing escrow agencies and agents if they are administering certain trust accounts established for retention amounts.

Recently, the Nevada Supreme Court, discussing NRS 108.22112, 108.22184 and 108.225, held that: (1) pursuant to NRS 108.225, “commencement of construction,” as defined in existing law, is required for lien priority; (2) the definition of “commencement of construction” plainly requires visibility of on-site work in order for a mechanic’s lien to take a priority position over a deed of trust; (3) the visible work performed by a contractor who had provided numerous preconstruction services amounted to the placement of a business sign and the removal of power lines; and (4) such preparatory work performed did not constitute “commencement of construction” and, thus, the contractor’s mechanic’s lien was junior to a bank’s deed of trust. (*J.E. Dunn Nw., Inc. v. Corus Constr. Venture, LLC*, 127 Nev. Adv. Op. 5 (Mar. 3, 2011)) Sections 5.5, 7.3, 7.4, 12.5 and 13.5 of this bill change the existing law upon which the conclusion of the Court in *Dunn* was based, making it such that the visibility of a much wider variety of activities and items is sufficient for a mechanic’s lien to take a priority lien position.

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

Section 1. Chapter 108 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 11, inclusive, of this act.

Sec. 2. “Escrow” has the meaning ascribed to it in NRS 645A.010.

Sec. 3. “Escrow agency” means a person, firm or entity licensed to engage in the business of administering escrows pursuant to chapter 645A of NRS.

Sec. 4. “Higher-tiered contractor” means a prime contractor or subcontractor who has entered into a contract with a lower-tiered subcontractor pursuant to which the lower-tiered subcontractor has agreed to provide work, materials or equipment for the improvement of property or the construction, alteration or repair of any improvement, property or work of improvement.

Sec. 4.5. “Lessee” means a person, firm or entity which claims less than a fee simple estate in the property.

Sec. 5. “Lower-tiered subcontractor” means a subcontractor or supplier who has agreed in a contract with a prime contractor or higher-tiered contractor to provide work, materials or equipment for the improvement of property or the construction, alteration or repair of any improvement, property or work of improvement.

Sec. 5.5. “Materials or equipment furnished” includes the delivery to, or the placement or installation of materials or equipment on or about, the property, including, without limitation, appliances, construction fencing, construction signage, construction or job-site trailers, machinery, substances, supplies, tools, vehicles and other similar materials or

equipment, in connection with the construction, alteration or repair of any improvement, property or work of improvement.

Sec. 6. “Retention amount” means an amount or percentage of a contract or of the periodic payments to be made to a prime contractor or a lower-tiered subcontractor that an owner, lessee or prime contractor is authorized to withhold ~~pursuant to~~ :

1. Pursuant to the contract ;
2. In accordance with the provisions of section 7.5 of this act; and
3. If applicable, in accordance with the requirements of sections ~~7.2~~ 8 to 11, inclusive, of this act. ~~[until the prime contractor or a lower tiered subcontractor completes the performance of work or the provision of materials or equipment pursuant to the terms of the contract.]~~

Sec. 7. “Supplier” means a person who provides materials or equipment used, consumed or incorporated or to be used, consumed or incorporated in the improvement of property or the construction, alteration or repair of any improvement, property or work of improvement.

Sec. 7.3. “Work performed” includes the performance of any labor or work on or about the property, including, without limitation, clearing, demolition, excavating, grading, grubbing, filling, landscaping, shoring, staking, installing or connecting a temporary source of electricity, trenching and the installation of cellars, curbs, public utilities, sewers, sidewalks and vaults, and the performance of any labor or work in connection with the construction, alteration or repair of any improvement, property or work of improvement.

Sec. 7.4. For the purposes of the term “commencement of construction,” set forth in NRS 108.22112, a lien, mortgage or other encumbrance holder who, pursuant to NRS 108.225, asserts priority over a lien provided for in NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act, has the burden of proof to establish that any work performed or materials or equipment furnished was not visible from a reasonable inspection of the property as of the date and time his or her lien, mortgage or other encumbrance attached to the property.

Sec. 7.5. Whether a retention amount is withheld pursuant to sections 8 to 11, inclusive, of this act, or otherwise:

1. The retention amount:
 - (a) Must not exceed 10 percent of:
 - (1) The total price or estimated budget of the contract or agreement;
 - or
 - (2) Any periodic payment to be made to the prime contractor and the prime contractor’s lower-tiered subcontractors;
 - (b) Is the separate property of the prime contractor or the lower-tiered subcontractors from whom it was withheld;
 - (c) Must be held in trust by an owner, lessee or escrow agency for the benefit of the prime contractor or the lower-tiered subcontractors from whom it was withheld; and

(d) Must be paid:

(1) By an owner, lessee or escrow agency to a prime contractor in the time and manner set forth in subsection 1 of NRS 624.620.

(2) By a higher-tiered contractor to a lower-tiered subcontractor in the time and manner set forth in subsection 1 of NRS 624.624.

2. The prime contractor and the prime contractor's lower-tiered subcontractors have an ownership interest in the retention amount equal to:

(a) The amount withheld from the prime contractor and each lower-tiered subcontractor; and

(b) The respective ownership interest of the prime contractor and each lower-tiered subcontractor in the retention amount withheld.

Sec. 8. 1. An owner, lessee, higher-tiered contractor, lower-tiered contractor and escrow agency shall comply with the requirements of ~~this section and~~ sections ~~9, 10 and~~ 8 to 11, inclusive, of this act if:

(a) The owner or lessee and a prime contractor have entered into a prime contract for the improvement of property or the construction, alteration or repair of any improvement, property or work of improvement;

(b) The total sum, price or estimated budget of the prime contract is \$1,000,000 or more; and

(c) The owner or lessee of property about which the prime contract relates is authorized pursuant to the contract to withhold a retention amount.

2. If an owner or lessee and a prime contractor enter into a contract described in subsection 1, before the owner or lessee may cause the improvement or work of improvement to be constructed, altered or repaired, the owner or lessee shall:

(a) Obtain the services of an escrow agency to hold a retention amount in trust ~~for~~ and pursuant to section 9 of this act;

(b) Record a notice of establishment of a trust account with the county recorder of the county where the property is located upon which the improvement or work of improvement is or will be constructed, altered or repaired ~~for~~; and

(c) Before the issuance of any permit for the improvement or work of improvement, submit a conformed copy of the recorded notice of establishment of a trust account to the building inspector or other governmental authority having jurisdiction over the construction, alteration or repair of the improvement or work of improvement.

~~3. The local government authority responsible for issuing any required building permit shall not issue the building permit unless the owner or lessee has satisfied the requirements set forth in subsection 2.~~

~~4.~~ The notice of establishment of a trust account required pursuant to subsection 2 must:

(a) Identify the name and address of the owner or lessee;

(b) Identify the ~~location~~ name of the improvement or work of improvement and the address, legal description and assessor's parcel number of the property upon which the improvement or work of improvement will be constructed, altered or repaired;

(c) Describe the nature of the owner or lessee's interest in:

(1) The property upon which the improvement or work of improvement will be constructed, altered or repaired; and

(2) The improvement or work of improvement on such property;

(d) ~~Include~~ Identify the name of the governmental authority having jurisdiction over the construction, alteration or repair of the improvement or work of improvement on such property;

(e) Identify the name and address of the escrow agency;

~~((e))~~ (f) Include the date on which the owner or lessee obtained the services of the escrow agency; ~~and~~

~~((f))~~ (g) The number of the trust account ~~is~~

~~is~~, if any; and

(h) Be in substantially the following form:

Assessor's Parcel Number of Property:

NOTICE OF ESTABLISHMENT OF TRUST ACCOUNT

Name and address of property owner:

Nature of owner's interest in the property:

Nature of owner's interest in the improvement or work of improvement:

Name and address of lessee of property, if any:

Nature of interest of lessee, if any, in the property:

Nature of interest of lessee, if any, in the improvement or work of improvement:

Name and description of the improvement or work of improvement:

Address of the property upon which the improvement or work of improvement is located:

Legal description of the improvement or work of improvement:

Name of governmental authority having jurisdiction over the construction, alteration or repair of the improvement or work of improvement:

Name and address of escrow agency:

Date of establishment of escrow:

Trust account number:

State of Nevada... }

.....} ss.

County of }

.....(print name), being first duly sworn on oath according to law, deposes and says:

I am authorized to sign this Notice of Establishment of Trust Account on behalf of the owner or lessee of the above-identified improvement or work

of improvement. Under penalty of perjury, I state that I have read the content of this Notice, and I know it to be true and correct of my own personal knowledge.

Dated this.....day of....., 20.... .

By:

Print name:

Company name:

Title:

Subscribed and sworn to before me, a Notary Public, on this day of the month of of the year

Notary Public County, Nevada

My appointment expires:

4. The notice of establishment of a trust account required pursuant to subsection 2 must be signed and verified under oath and penalty of perjury, by the owner or lessee or the owner or lessee's authorized representative [.]

~~{6. If an owner or lessee fails to satisfy the requirements of this section or sections 9, 10 or 11 of this act, the prime contractor who has furnished or will furnish materials or equipment for the improvement or work of improvement may stop work after giving written notice to the owner or lessee. If the prime contractor stops work pursuant to this subsection, the prime contractor's lower tiered subcontractors may stop work. If the owner or lessee:~~

~~(a) Satisfies the requirements of this section and sections 9, 10 and 11 of this act within 25 days after any work stoppage, the prime contractor and the prime contractor's lower tiered subcontractors who stopped work shall resume work and the prime contractor and the prime contractor's lower tiered subcontractors are entitled to compensation from the owner or lessee for any reasonable costs and expenses that any of them have incurred because of the delay and remobilization; or~~

~~(b) Does not satisfy the requirements of this section and sections 9, 10 and 11 of this act within 25 days after the work stoppage, the prime contractor may terminate the contract relating to the improvement or work of improvement and the prime contractor and the prime contractor's lower tiered subcontractors are entitled to recover from the owner or lessee:~~

~~(1) The cost of all work, materials and equipment, including any overhead the prime contractor and the lower tiered subcontractors incurred and profit the prime contractor and the lower tiered subcontractors earned through the date of termination;~~

~~(2) The balance of the profit the prime contractor and the lower tiered subcontractors would have earned if the contract had not been terminated;~~

~~(3) Any interest, costs and attorney's fees that the prime contractor and the lower tiered subcontractors are entitled to pursuant to specific statute or a contract; and~~

~~(4) Any other amount awarded by a court or other trier of fact.~~

~~7. In addition to the interest, costs and attorney's fees that the prime contractor and the lower-tiered subcontractors are entitled to pursuant to subsection 6, the prime contractor and the lower-tiered subcontractors are entitled to recover from the owner or lessee who fails to satisfy the requirements of this section and sections 9, 10 and 11 of this act, the interest, costs and attorney's fees incurred by the prime contractor and lower-tiered subcontractors in collecting the retention amount.~~

~~8. The rights and remedies provided pursuant to this section are in addition to any other rights and remedies that may exist at law or in equity.]~~
, that the information contained therein is true and correct.

Sec. 9. 1. ~~[A]~~ In addition to the requirements set forth in section 7.5 of this act, a retention amount ~~must~~

~~(a) Not exceed 10 percent of:~~

~~(1) The total price or estimated budget of the contract; or~~

~~(2) Any periodic payment to be made to the prime contractor or the lower-tiered subcontractors;~~

~~(b) Be held]~~ that is withheld pursuant to sections 8 to 11, inclusive, of this act:

(a) Must be:

(1) Held in trust by an escrow agency for the benefit of the prime contractor or the lower-tiered subcontractors from whom it was withheld;
~~and~~

~~(c) Be:~~

~~(1)]~~ (2) Deposited by an escrow agency in a financial institution that is federally insured or insured by a private insurer approved pursuant to NRS 678.755;

~~[(2)]~~ (3) Designated as a trust account or other account designated to indicate that the money in the account is not the money of the escrow agency; and

~~[(3)]~~ (4) Kept separate from money belonging to the escrow agency.

~~2. Upon being withheld, a retention amount is:] ;~~

(b) Is the separate property of the prime contractor or the lower-tiered subcontractors from whom it was withheld, regardless of whether the retention amount has been deposited in a trust account ~~and~~ ; and

(c) Is held by an owner, lessee or escrow agency in the capacity of a fiduciary.

2. Except as otherwise provided in subsection 3, if an owner or lessee withholds or causes to be withheld a retention amount from a payment to be made to a prime contractor and the prime contractor's lower-tiered subcontractors, the owner or lessee shall cause the withheld amount to be deposited immediately in a trust account established pursuant to section 8 of this act.

3. If a construction disbursement account is established pursuant to subsection 1 of NRS 108.2403, the construction control shall immediately transfer the retention amount from the construction disbursement account

to the trust account established pursuant to section 8 of this act when a progress payment is made from the construction disbursement account to the prime contractor and the prime contractor's lower-tiered subcontractors.

4. Use by an owner, lessee or escrow agency of a retention amount in violation of the provisions of sections 8 to 11, inclusive, of this act creates a rebuttable presumption, in any action brought by a prime contractor or the lower-tiered subcontractors from whom it was withheld and to whom it is owed, that the owner, lessee or escrow agency has breached its fiduciary duties with respect to the retention amount.

5. As used in this section, "fiduciary" has the meaning ascribed to it in NRS 162.020.

~~Sec. 10. 1. Except as otherwise provided in subsection 2, if an owner or lessee withholds or causes to be withheld a retention amount from a payment to be made to a prime contractor and the lower tiered subcontractors, the owner or lessee shall cause the withheld amount to be immediately deposited in a trust account established pursuant to section 8 of this act.~~

~~2. If a construction disbursement account is established pursuant to subsection 1 of NRS 108.2403, the construction control shall immediately transfer the retention amount from the construction disbursement account to the trust account established pursuant to section 8 of this act.~~

~~3. If a prime contractor or a lower tiered subcontractor does not perform or complete the work required by a prime contract, the owner, lessee or higher tiered contractor with whom the prime contractor or lower tiered subcontractor contracted has a claim against the prime contractor's or the lower tiered subcontractor's ownership interest in the retention amount to the extent of any compensable damages authorized pursuant to the contract and established in court or in an arbitral proceeding.~~

~~4. An owner or lessee shall pay, or cause the escrow agency to pay, to the prime contractor for the lower tiered subcontractors, the~~ a retention amount as provided in subsection 1 of NRS 624.620 regardless of whether the retention amount has been deposited in a trust account.

~~5. Unless a shorter period for payment is provided in a contract entered into between a~~

2. A higher-tiered contractor and shall pay to a lower-tiered subcontractor ~~1, within 10 days after the higher tiered contractor receives payment of~~ a retention amount ~~{from an owner, lessee or escrow agency that includes any amount owed to the lower tiered subcontractor for performance or provision of work, materials or equipment, the higher tiered contractor shall pay the lower tiered subcontractor that portion of the retention amount owed to the lower tiered subcontractor.~~

~~6. An owner or lessee shall provide written proof to a building inspector or other authority~~ as provided in subsection 1 of NRS 624.624.

3. If an owner or lessee fails to satisfy the requirements of sections 8 to 11, inclusive, of this act, the prime contractor who has furnished or will furnish materials or equipment for the improvement or work of improvement may stop work after giving written notice to the owner or lessee. If the prime contractor stops work pursuant to this subsection, the prime contractor's lower-tiered subcontractors may stop work. If the owner or lessee:

(a) Satisfies the requirements of sections 8 to 11, inclusive, of this act within 25 days after a work stoppage, the prime contractor and the prime contractor's lower-tiered subcontractors who stopped work shall resume work, and the prime contractor and the lower-tiered subcontractors are entitled to compensation from the owner or lessee for any reasonable costs and expenses incurred because of the delay and remobilization.

(b) Does not satisfy the requirements of sections 8 to 11, inclusive, of this act within 25 days after a work stoppage, the prime contractor may terminate the contract relating to the improvement or work of improvement, and the prime contractor and the prime contractor's lower-tiered subcontractors are entitled to recover from the owner or lessee:

(1) The cost of all work performed or materials or equipment furnished, including, without limitation, any overhead the prime contractor and the lower-tiered subcontractors incurred, and any profit the prime contractor and the lower-tiered subcontractors earned, through the date of termination;

(2) The balance of any profit the prime contractor and the lower-tiered subcontractors would have earned if the contract had not been terminated;

(3) Any interest, costs and attorney's fees that the prime contractor and the lower-tiered subcontractors are entitled to pursuant to the contract or a specific statute; and

(4) Any other amount awarded by a court or other trier of fact.

4. In addition to the interest, costs and attorney's fees to which the prime contractor and the prime contractor's lower-tiered subcontractors are entitled pursuant to subsection 3, the prime contractor and the lower-tiered subcontractors are entitled to recover from an owner or lessee who fails to comply with the requirements of sections 8 to 11, inclusive, of this act, the interest, costs and attorney's fees incurred by the prime contractor and the lower-tiered subcontractors in collecting the retention amount.

5. A building inspector or other governmental authority having jurisdiction over the construction, alteration or repair of an improvement or work of improvement shall not issue a certificate of occupancy for the improvement or work of improvement until such time as the owner, lessee or escrow agency has:

(a) Caused a verification of compliance to be recorded with the county recorder of the county where the property is located, whereby an authorized representative of the owner, lessee or escrow agency certifies

under oath and subject to penalty of perjury that the entire retention amount which is the subject of the prime contract has been:

~~† (a) Held~~

(1) Deposited and is being held in the trust [by an escrow agency and deposited in a financial institution] account as required [pursuant to] by section 9 of this act;

~~† (b) Deposited with the court in an action for interpleader brought pursuant to section 11 of this act; or~~

~~(c) Fully~~

(2) Partially paid to the prime contractor and the lower-tiered subcontractors to whom it is owed,

~~† as a condition precedent to the issuance of a certificate of occupancy or temporary certificate of occupancy for an improvement or work of improvement.]~~ with the balance of the retention amount withheld being deposited and held in the trust account as required by section 9 of this act;

or

(3) Fully paid to the prime contractor and the lower-tiered subcontractors to whom it is owed; and

(b) Provided a conformed copy of the recorded verification of compliance to the building inspector or other governmental authority having jurisdiction over the construction, alteration or repair of the improvement or work of improvement.

6. The verification of compliance to be provided and recorded by an owner, lessee or escrow agency pursuant to subsection 5 must:

(a) Identify the name and address of the owner or lessee;

(b) Describe the owner's or lessee's interest in:

(1) The property upon which the improvement or work of improvement was constructed, altered or repaired; and

(2) The improvement or work of improvement constructed, altered or repaired on such property;

(c) Identify the name of the improvement or work of improvement and the address, legal description and assessor's parcel number of the property upon which the improvement or work of improvement was constructed, altered or repaired;

(d) Identify the name of the governmental authority having jurisdiction over the construction, alteration or repair of the improvement or work of improvement on the property;

(e) Identify the permit number, if any, for the improvement or work of improvement that was constructed, altered or repaired on the property;

(f) Identify the name and address of the escrow agency;

(g) Include the date on which the owner or lessee obtained the services of the escrow agency;

(h) Identify the trust account number, if any;

(i) State that the entire retention amount which has been withheld and is the subject of the prime contract has been:

(1) Deposited and is being held in the trust account as required by section 9 of this act;

(2) Partially paid to the prime contractor and the lower-tiered subcontractors to whom it is owed, with the balance of the retention amount withheld being deposited and held in the trust account as required by section 9 of this act; or

(3) Fully paid to the prime contractor and the lower-tiered subcontractors to whom it is owed;

(j) Be signed and verified by an authorized representative of the owner, lessee or escrow agency under oath and subject to penalty of perjury; and

(k) Be in substantially the following form:

Assessor's Parcel Number of Property:

VERIFICATION OF COMPLIANCE

Name and address of property owner:

Nature of owner's interest in the property:

Nature of owner's interest in the improvement or work of improvement:

Name and address of lessee of property, if any:

Nature of interest of lessee, if any, in the property:

Nature of interest of lessee, if any, in the improvement or work of improvement:

Name and description of the improvement or work of improvement:

Address of property upon which the improvement or work of improvement is located:

Legal description of the improvement or work of improvement:

Name of governmental authority having jurisdiction over the construction, alteration or repair of the improvement or work of improvement:

Name and address of escrow agency:

Date of establishment of escrow:

Trust account number:

Permit No.:

Total retention amount deposited in the trust account over the course of the improvement or work of improvement:

Total retention amount paid from the trust account over the course of the improvement or work of improvement:

Total retention amount currently held in the trust account:

State of Nevada}

}ss.

County of }

.....(print name), being first duly sworn on oath according to law, deposes and says:

I am authorized to sign this Verification of Compliance on behalf of the owner or lessee of, or escrow agency for, the above-identified improvement or work of improvement constructed, altered or repaired on the property. I have read the content of this Verification, and I know the contents hereof to be true and correct of my own personal knowledge.

On behalf of the undersigned, I hereby verify under penalty of perjury that the entire retention amount withheld from the prime contractor and the lower-tiered subcontractors over the course of the construction of the improvement or work of improvement identified above has been:

☐ Deposited and is being held in the trust account identified above, as required by section 9 of this act;

OR

☐ Partially paid to the prime contractor and the lower-tiered subcontractors to whom it is owed, with the balance of the retention amount withheld being deposited and held in the trust account as required by section 9 of this act;

OR

☐ Fully paid to the prime contractor and the lower-tiered subcontractors to whom it is owed.

Dated this.....day of....., 20.... .

By: _____

Print name: _____

Company name: _____

Title: _____

Subscribed and sworn to before me, a Notary Public, on this day of the month of of the year

Notary Public County, Nevada

My appointment expires:

7. The rights and remedies provided to a prime contractor and the prime contractor's lower-tiered subcontractors pursuant to sections 8 to 11, inclusive, of this act are in addition to any other rights and remedies that may exist at law or in equity, including, without limitation, a lien claimant's right to include a retention amount in the lienable amount of any notice of lien that the lien claimant may record or cause to be recorded pursuant to NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act.

8. The duty of an owner, lessee or higher-tiered contractor to comply with the provisions of NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act is mandatory and may not be waived, modified or released by contract or otherwise.

Sec. 11. 1. ~~If a trust account is established and funded pursuant to section 8 of this act, each lien claimant has an ownership interest in and a lien upon the funds held in the trust account for an amount equal to that~~

~~portion of the retention amount withheld from the lien claimant and held in the trust account.~~

~~2. The~~ An escrow agency shall keep detailed and complete records of all transactions with respect to ~~the~~ a trust account, including, without limitation, the retention amount received from the owner or lessee and any amounts paid from the trust account.

~~3. 2.~~ Within 5 days after an owner, lessee or escrow agency receives a request for an accounting of the trust account from a prime contractor or lower-tiered subcontractor, the owner, lessee or escrow agency shall comply with the request. The accounting must be in writing and must include the following information:

(a) The amount and date on which any retention amount was received and deposited in the trust account;

(b) The amount, date and payee of any retention amount withdrawn and paid from the trust account; and

(c) The retention amount held in the trust account as of the date on which the owner, lessee or escrow agency complied with the request.

~~4. The escrow agency may bring an action for interpleader in the district court for the county where the improvement or work of improvement is located if the escrow agency receives:~~

~~(a) A written demand for payment of all or a portion of the retention amount from a prime contractor or the lower tiered subcontractors who possess an ownership interest in the retention amount; or~~

~~(b) A written notice of claim from an owner, lessee or higher tiered contractor against the prime contractor's or the lower tiered subcontractors' ownership interest in all or a portion of the retention amount.~~

~~5. If an action for interpleader is brought pursuant to subsection 4, the escrow agency shall:~~

~~(a) Deposit with the court the retention amount held in the trust account;~~

~~(b) Provide notice of the action for interpleader by certified mail, return receipt requested, to each person:~~

~~(1) Who provided to the escrow agency a written demand for payment or a written notice of claim as described in subsection 4;~~

~~(2) Who provides to the escrow agency a notice of right to lien;~~

~~(3) Who serves the escrow agency with a claim of lien;~~

~~(4) Who has performed work or furnished materials or equipment for the work of improvement;~~

~~(5) Who has recorded a notice of lien pursuant to NRS 109.226; or~~

~~(6) Of whom the escrow agency is aware may perform work or furnish materials or equipment for the improvement or work of improvement; and~~

~~(c) Publish a notice of the action for interpleader once each week, for 3 successive weeks, in a newspaper of general circulation in the county in which the improvement or work of improvement is located.~~

~~6. An escrow agency who brings an action for interpleader pursuant to subsection 4 is entitled to be reimbursed from the retention amount for the reasonable costs that the escrow agency incurred in bringing such action.~~

~~7. If an escrow agency does not comply with the requirements of this section, the escrow agency and its bond are liable for any resulting damages to any lien claimants.~~

Sec. 12. NRS 108.221 is hereby amended to read as follows:

108.221 As used in NRS 108.221 to 108.246, inclusive, **and sections 2 to 11, inclusive, of this act**, unless the context otherwise requires, the words and terms defined in NRS 108.22104 to 108.22188, inclusive, **and sections 2 to 7, 7.3, inclusive, of this act** have the meanings ascribed to them in those sections.

Sec. 12.5. NRS 108.22112 is hereby amended to read as follows:

108.22112 "Commencement of construction" means the date on which ~~1. Work~~ **any work** performed ~~1.1~~ or ~~2. Materials~~ **materials** or equipment furnished in connection with a work of improvement ~~1.2~~ **that is subject to a lien pursuant to NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act** is visible from a reasonable inspection of the ~~site~~ **property**.

Sec. 13. NRS 108.22132 is hereby amended to read as follows:

108.22132 "Lien" means the statutory rights and security **or ownership** interest in ~~1.1~~:

1. A construction disbursement account established pursuant to NRS 108.2403 ~~1.1~~;

2. ~~A trust account established pursuant to section 8 of this act;~~

~~3.1~~ A retention amount; or ~~1.2~~ **property**

~~4.1~~ **3. Property** or any improvements thereon provided to a lien claimant by NRS 108.221 to 108.246, inclusive ~~1.1~~, **and sections 2 to 11, inclusive, of this act**.

Sec. 13.5. NRS 108.22188 is hereby amended to read as follows:

108.22188 "Work of improvement" means the entire structure or scheme of improvement as a whole, including, without limitation, all work, materials and equipment to be used in or for the construction, alteration or repair of the property or any improvement thereon, whether under multiple prime contracts or a single prime contract except as follows:

1. If a scheme of improvement consists of the construction of two or more separate buildings and each building is constructed upon a separate legal parcel of land and pursuant to a separate prime contract for only that building, then each building shall be deemed a separate work of improvement; and

2. If the improvement of the site is provided for in a prime contract that is separate from all prime contracts for the construction of one or more buildings on the property, and if the improvement of the site ~~was contemplated by the contracts to be a separate work of improvement to be~~

~~completed before the commencement of~~ **is unrelated to the** construction of the buildings, the improvement of the site shall be deemed a separate work of improvement from the construction of the ~~buildings and the commencement of construction of the improvement of the site does not constitute the commencement of construction of the~~ buildings. As used in this subsection, "improvement of the site" ~~means the development or enhancement of the property, preparatory to the commencement of construction of a building, and~~ includes:

- (a) The demolition or removal of improvements, trees or other vegetation;
- (b) The drilling of test holes;
- (c) Grading, grubbing, filling or excavating;
- (d) Constructing or installing sewers or other public utilities; or
- (e) Constructing a vault, cellar or room under sidewalks or making improvements to the sidewalks in front of or adjoining the property.

Sec. 14. NRS 108.222 is hereby amended to read as follows:

108.222 1. Except as otherwise provided in subsection 2, a lien claimant has a lien upon the property, any improvements for which the work, materials and equipment were furnished or to be furnished, **any retention amount** and any construction disbursement account established pursuant to NRS 108.2403 ~~for trust account established pursuant to section 8 of this act,~~ for:

(a) If the parties agreed, by contract or otherwise, upon a specific price or method for determining a specific price for some or all of the work, material and equipment furnished or to be furnished by or through the lien claimant, the unpaid balance of the price agreed upon for such work, material or equipment, as the case may be, whether performed, furnished or to be performed or furnished at the instance of the owner or the owner's agent; and

(b) If the parties did not agree, by contract or otherwise, upon a specific price or method for determining a specific price for some or all of the work, material and equipment furnished or to be furnished by or through the lien claimant, including, without limitation, any additional or changed work, material or equipment, an amount equal to the fair market value of such work, material or equipment, as the case may be, including a reasonable allowance for overhead and a profit, whether performed, furnished or to be performed or furnished at the instance of the owner or at the instance of the owner's agent.

2. If a contractor or professional is required to be licensed pursuant to the provisions of NRS to perform the work, the contractor or professional will only have a lien pursuant to subsection 1 if the contractor or professional is licensed to perform the work.

Sec. 15. NRS 108.245 is hereby amended to read as follows:

108.245 1. Except as otherwise provided in subsection 5, every lien claimant, other than one who performs only labor, who claims the benefit of NRS 108.221 to 108.246, inclusive, **and sections 2 to 11, inclusive, of this act** shall, at any time after the first delivery of material or performance of

work or services under a contract, deliver in person or by certified mail to the owner of the property a notice of right to lien in substantially the following form:

NOTICE OF RIGHT TO LIEN

To:

(Owner's name and address)

The undersigned notifies you that he or she has supplied materials or equipment or performed work or services as follows:

(General description of materials, equipment, work or services)

for improvement of property identified as (property description or street address) under contract with (general contractor or subcontractor). This is not a notice that the undersigned has not been or does not expect to be paid, but a notice required by law that the undersigned may, at a future date, record a notice of lien as provided by law against the property if the undersigned is not paid.

(Claimant)

A subcontractor or ~~equipment or material~~ supplier who gives such a notice must also deliver in person or send by certified mail a copy of the notice to the prime contractor for information only. The failure by a subcontractor to deliver the notice to the prime contractor is a ground for disciplinary proceedings against the subcontractor under chapter 624 of NRS but does not invalidate the notice to the owner.

2. Such a notice does not constitute a lien or give actual or constructive notice of a lien for any purpose.

3. No lien for materials or equipment furnished or for work or services performed, except labor, may be perfected or enforced pursuant to NRS 108.221 to 108.246, inclusive, **and sections 2 to 11, inclusive, of this act** unless the notice has been given.

4. The notice need not be verified, sworn to or acknowledged.

5. A prime contractor or other person who contracts directly with an owner or sells materials directly to an owner is not required to give notice pursuant to this section.

6. A lien claimant who is required by this section to give a notice of right to lien to an owner and who gives such a notice has a right to lien for materials or equipment furnished or for work or services performed in the 31 days before the date the notice of right to lien is given and for the materials or equipment furnished or for work or services performed anytime thereafter until the completion of the work of improvement.

Sec. 16. NRS 108.2453 is hereby amended to read as follows:

108.2453 1. Except as otherwise provided in NRS 108.221 to 108.246, inclusive, **and sections 2 to 11, inclusive, of this act**, a person may not waive or modify a right, obligation or liability set forth in the provisions of NRS 108.221 to 108.246, inclusive ~~[-]~~, **and sections 2 to 11, inclusive, of this act**.

2. A condition, stipulation or provision in a contract or other agreement for the improvement of property or for the construction, alteration or repair of a work of improvement in this State that attempts to do any of the following is contrary to public policy and is void and unenforceable:

(a) Require a lien claimant to waive rights provided by law to lien claimants or to limit the rights provided to lien claimants, other than as expressly provided in NRS 108.221 to 108.246, inclusive ~~to 11~~, **and sections 2 to 11, inclusive, of this act;**

(b) Relieve a person of an obligation or liability imposed by the provisions of NRS 108.221 to 108.246, inclusive ~~to 11~~, **and sections 2 to 11, inclusive, of this act;**

(c) Make the contract or other agreement subject to the laws of a state other than this State;

(d) Require any litigation, arbitration or other process for dispute resolution on disputes arising out of the contract or other agreement to occur in a state other than this State; or

(e) Require a prime contractor or subcontractor to waive, release or extinguish a claim or right that the prime contractor or subcontractor may otherwise possess or acquire for delay, acceleration, disruption or impact damages or an extension of time for delays incurred, for any delay, acceleration, disruption or impact event which was unreasonable under the circumstances, not within the contemplation of the parties at the time the contract was entered into, or for which the prime contractor or subcontractor is not responsible.

Sec. 16.1. NRS 162.020 is hereby amended to read as follows:

162.020 1. In NRS 162.010 to 162.140, inclusive, unless the context of subject matter otherwise requires:

(a) “Bank” includes any person or association of persons, whether incorporated or not, carrying on the business of banking.

(b) “Fiduciary” includes ~~to 11~~:

(1) A trustee under any trust, expressed, implied, resulting or constructive, executor, administrator, guardian, conservator, curator, receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent, officer of a corporation, public or private, ~~or public officer to 11~~ **or public officer to 11**;

(2) An owner or lessee who holds a retention amount, or an escrow agency that administers an escrow, pursuant to NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act; and

(3) Any other person acting in a fiduciary capacity for any person, trust or estate.

(c) “Principal” includes any person to whom a fiduciary as such owes an obligation.

2. A thing is done “in good faith” within the meaning of NRS 162.010 to 162.140, inclusive, when it is in fact done honestly, whether it is done negligently or not.

Sec. 16.3. Chapter 624 of NRS is hereby amended by adding thereto a new section to read as follows:

“Retention amount” has the meaning ascribed to it in section 6 of this act.

Sec. 16.7. NRS 624.606 is hereby amended to read as follows:

624.606 As used in NRS 624.606 to 624.630, inclusive, **and section 16.3 of this act, unless the context otherwise requires,** the words and terms defined in NRS 624.607 to 624.6086, inclusive, **and section 16.3 of this act** have the meanings ascribed to them in those sections.

Sec. 17. NRS 624.609 is hereby amended to read as follows:

624.609 1. Except as otherwise provided in subsections 2 and 4 , **NRS 624.620** and subsection 4 of NRS 624.622, if an owner of real property enters into a written or oral agreement with a prime contractor for the performance of work or the provision of materials or equipment by the prime contractor, the owner must:

(a) Pay the prime contractor on or before the date a payment is due pursuant to a schedule for payments established in a written agreement; or

(b) If no such schedule is established or if the agreement is oral, pay the prime contractor within 21 days after the date the prime contractor submits a request for payment.

2. If an owner has complied with subsection 3 ~~and, if applicable, sections 8 to 11, inclusive, of this act,~~ the owner may:

(a) Withhold from any payment to be made to the prime contractor:

(1) ~~1A) Except as otherwise provided in this subparagraph, a~~ retention amount that ~~1, if~~ the owner is authorized to withhold ~~1a retention amount~~ pursuant to ~~the agreement, must not exceed 10 percent of the amount of the payment to be made~~ ~~1, and must, if applicable, comply with sections 8 to 11, inclusive,~~ **section 7.5 of this act . 1) With respect to any retention amount described in this subparagraph:**

(I) The owner must pay the retention amount to the prime contractor in the time and manner required by NRS 624.620; and

(II) If applicable, the withholding of the retention amount must comply with the requirements of sections 8 to 11, inclusive, of this act.

(2) An amount equal to the sum of the value of:

(I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and

(II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the ~~total~~ retention amount withheld ~~for to be withheld~~ pursuant to ~~subparagraph (1) . 1; the agreement; and~~

(3) The amount the owner has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which

the owner is or may reasonably be liable for the prime contractor or his or her lower-tiered subcontractors in accordance with chapter 608, 612, 616A to 616D, inclusive, or 617 of NRS ~~108.2457~~.

(b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the prime contractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.

3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must give, on or before the date the payment is due, a written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:

(a) Identify the amount of the request for payment that will be withheld from the prime contractor;

(b) Give a reasonably detailed explanation of the condition or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and

(c) Be signed by an authorized agent of the owner.

4. A prime contractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:

(a) Give the owner a written notice and thereby dispute in good faith and for reasonable cause the amount withheld, or the condition or reason for the withholding; or

(b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the owner shall:

(1) Pay the amount withheld by the owner for that condition or reason for the withholding on or before the date the next payment is due the prime contractor; or

(2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the prime contractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, the owner shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor's next

payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.

5. Except as otherwise allowed in subsections 2, 3 and 4, an owner shall not withhold from a payment to be made to a prime contractor more than the retention amount.

Sec. 18. NRS 624.620 is hereby amended to read as follows:

624.620 1. Except as otherwise provided in this section, ~~an~~ an owner shall pay, or cause to be paid, to the prime contractor ~~any money remaining unpaid and attributable to a lower tiered subcontractor's work, materials or equipment, including, without limitation, the lower tiered subcontractor's ownership interest in any retention amount provided for pursuant to section 8 of this act, within 30 days after the date on which all the following have been completed:~~

~~(a) The lower tiered subcontractor completes the performance of work or provision of materials or equipment;~~

~~(b) The lower tiered subcontractor provides the prime contractor and the owner with the information and documentation reasonably required by the agreement; and~~

~~(c) The lower tiered subcontractor's work has been inspected and approved by the building inspector or other authority, if applicable.~~

~~2. An owner shall pay, or cause to be paid, to the prime contractor, any money remaining unpaid for the construction of a work of improvement ~~is~~ payable to the prime contractor, ~~the~~ a retention amount, ~~provided for pursuant to section 8 of this act,~~ within 30 days after:~~

~~(a) The date on which all the following have been completed:~~

~~(1) The prime contractor completes the performance of work or the provision of materials or equipment;~~

~~(2) The prime contractor provides the owner with the information and documentation reasonably required by the agreement; and~~

~~(3) The prime contractor's work has been inspected and approved by the building inspector or other authority, if applicable;~~

~~(b) Occupancy or use of the work of improvement by the owner or by a person acting with the authority of the owner; or~~

~~{(b)} (c) The availability of a work of improvement for its intended use. The prime contractor must have provided to the owner:~~

~~(1) A written notice of availability on or before the day on which the prime contractor claims that the work of improvement became available for use or occupancy; or~~

~~(2) A certificate of occupancy issued by the appropriate building inspector or other authority ~~H~~.~~

~~whichever of paragraph (a), (b) or (c) occurs earlier.~~

~~2. If the owner has complied with subsection 3, the owner may:~~

~~(a) Withhold from the payment ~~for the amount of:~~ to be made to the prime contractor pursuant to subsection 1:~~

(1) ~~{Any}~~ **The reasonable amount of any** work or labor that has not been performed or materials or equipment that has not been furnished for which payment is sought;

(2) The costs and expenses reasonably necessary to correct or repair any work that is not materially in compliance with the agreement ; ~~{to the extent that such costs and expenses exceed 50 percent of the amount of retention being withheld pursuant to the terms of the agreement;}~~ and

(3) Money the owner has paid or is required to pay pursuant to an official notice from a state agency, or employee benefit trust fund, for which the owner is liable for the prime contractor or his or her lower-tiered subcontractors in accordance with chapter 608, 612, 616A to 616D, inclusive, or 617 of NRS.

(b) Require, as a condition precedent to the payment of any unpaid amount under the agreement, that lien releases be furnished by the prime contractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.

3. If, pursuant to paragraph (a) of subsection 2, an owner intends to withhold ~~{any}~~ **an** amount from a payment to be made to a prime contractor ~~{}~~ **pursuant to subsection 1,** the owner must, on or before the date the payment is due, give written notice to the prime contractor of ~~{any}~~ **the** amount that will be withheld. The written notice of withholding must:

(a) Identify the amount that will be withheld from the prime contractor;

(b) Give a reasonably detailed explanation of the condition for which or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the prime contractor, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and

(c) Be signed by an authorized agent of the owner.

4. A prime contractor who receives a notice of withholding pursuant to subsection 3 may correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding described in an owner's notice of withholding pursuant to subsection 3, the owner must, within 10 days after receipt of such notice:

(a) Pay the amount withheld by the owner for that condition or reason for the withholding; or

(b) Object to the scope and manner of the correction of the condition or reason for the withholding in a written statement that sets forth the reason for

the objection and complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, the owner shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor's next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.

5. ~~6~~

~~➤ whichever occurs earlier~~

~~3.7~~ The partial occupancy or availability of a ~~{building}~~ **work of improvement** requires payment in direct proportion to the value of the part of the ~~{building}~~ **work of improvement** which is partially occupied or partially available. For works of improvement which involve more than one building, each building must be considered separately in determining the amount of money which is payable to the prime contractor.

6. An owner, lessee or escrow agency shall not withhold from the payment to be made to a prime contractor pursuant to subsection 1 more than the amounts allowed in paragraph (a) of subsection 2 and paragraph (a) of subsection 4, and any withholding must:

(a) Be limited to those reasons for withholding allowed in paragraph (a) of subsection 2 and subsection 4; and

(b) Only be allowed if the owner, lessee or escrow agency has complied with subsection 3.

7. As used in this section:

(a) "Escrow agency" has the meaning ascribed to it in section 3 of this act.

(b) "Lessee" has the meaning ascribed to it in section 4.5 of this act.

(c) "Work of improvement" has the meaning ascribed to it in NRS 108.22188.

Sec. 19. NRS 624.624 is hereby amended to read as follows:

624.624 1. Except as otherwise provided in this section, if a higher-tiered contractor enters into:

(a) A written agreement with a lower-tiered subcontractor that includes a schedule for payments, the higher-tiered contractor shall pay the lower-tiered subcontractor:

(1) On or before the date payment is due; or

(2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, materials or equipment described in a request for payment submitted by the lower-tiered subcontractor,

➤ whichever is earlier.

(b) A written agreement with a lower-tiered subcontractor that does not contain a schedule for payments, or an agreement that is oral, the higher-tiered contractor shall pay the lower-tiered subcontractor:

(1) Within 30 days after the date the lower-tiered subcontractor submits a request for payment; or

(2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, labor, materials, equipment or services described in a request for payment submitted by the lower-tiered subcontractor,

↪ whichever is earlier.

2. If a higher-tiered contractor has complied with subsection 3 ~~and, if applicable, sections 8 to 11, inclusive, of this act,~~ the higher-tiered contractor may:

(a) Withhold from any payment owed to the lower-tiered subcontractor:

(1) ~~[(A) Except as otherwise provided in this subparagraph, a~~ retention amount that the higher-tiered contractor is authorized to withhold pursuant to ~~[the agreement, but the retention amount withheld must not exceed 10 percent of the payment that is required pursuant to subsection 1] [;] [and, if applicable, must comply with the provisions of sections 8 to 11, inclusive, of this act,]~~ section 7.5 of this act. With respect to any retention amount described in this subparagraph:

(I) The higher-tiered contractor must pay the retention amount to the lower-tiered subcontractor in the time and manner required by subsection 1; and

(II) If applicable, the withholding of the retention amount must comply with the requirements of sections 8 to 11, inclusive, of this act.

(2) An amount equal to the sum of the value of:

(I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and

(II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1) ~~and~~

(3) The amount the owner or higher-tiered contractor has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner or higher-tiered contractor is or may reasonably be liable for the lower-tiered subcontractor or his or her lower-tiered subcontractors in accordance with chapter 608, 612, 616A to 616D, inclusive, or 617 of NRS ~~and~~

(b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.

3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, a higher-tiered contractor intends to withhold any amount from a payment to be made to a lower-tiered subcontractor, the higher-tiered contractor must give, on or before the date

the payment is due, a written notice to the lower-tiered subcontractor of any amount that will be withheld and give a copy of such notice to all reputed higher-tiered contractors and the owner. The written notice of withholding must:

(a) Identify the amount of the request for payment that will be withheld from the lower-tiered subcontractor;

(b) Give a reasonably detailed explanation of the condition or the reason the higher-tiered contractor will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the lower-tiered subcontractor, and any documents relating thereto, and the applicable building code, law or regulation with which the lower-tiered subcontractor has failed to comply; and

(c) Be signed by an authorized agent of the higher-tiered contractor.

4. A lower-tiered subcontractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:

(a) Give the higher-tiered contractor a written notice and thereby dispute in good faith and for reasonable cause the amount withheld or the conditions or reasons for the withholding; or

(b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the higher-tiered contractor of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the lower-tiered subcontractor. If a higher-tiered contractor receives a written notice from the lower-tiered subcontractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the higher-tiered contractor shall:

(1) Pay the amount withheld by the higher-tiered contractor for that condition or reason for the withholding on or before the date the next payment is due the lower-tiered subcontractor; or

(2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the lower-tiered subcontractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the higher-tiered contractor objects to the scope and manner of the correction of a condition or reason for the withholding, the higher-tiered contractor shall nevertheless pay to the lower-tiered subcontractor, along with payment to be made pursuant to the lower-tiered subcontractor's next payment request, the amount withheld for the correction of the conditions or reasons for the withholding to which the higher-tiered contractor no longer objects.

5. Except as otherwise allowed in subsections 2, 3 and 4, a higher-tiered contractor shall not withhold from a payment to be made to a lower-tiered subcontractor more than the retention amount.

Sec. 19.5. Chapter 627 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Any person, firm or entity who acts in the capacity of a construction control and who undertakes to hold or disburse construction funds in payment of work, labor or materials, including, without limitation, a retention amount:

(a) Is acting in the capacity of an escrow agency pursuant to chapter 645A of NRS;

(b) Is acting in the capacity of a fiduciary pursuant to chapter 669 of NRS; and

(c) Shall, if applicable, comply with the requirements of sections 8 to 11, inclusive, of this act.

2. As used in this section:

(a) "Escrow agency" has the meaning ascribed to it in NRS 645A.010.

(b) "Fiduciary" has the meaning ascribed to it in NRS 669.045.

(c) "Retention amount" has the meaning ascribed to it in section 6 of this act.

Sec. 20. NRS 645.8795 is hereby amended to read as follows:

645.8795 1. Except as otherwise provided in subsection 2, a claim that is recorded pursuant to the provisions of NRS 645.8775 has priority over any other encumbrance, claim or lien, if the claim of the real estate broker is recorded before the encumbrance, claim or lien.

2. The provisions of subsection 1 do not apply to a lien recorded pursuant to the provisions of NRS 108.221 to 108.246, inclusive ~~to~~ , **and sections 2 to 11, inclusive, of this act.**

Sec. 21. NRS 645A.010 is hereby amended to read as follows:

645A.010 As used in this chapter, unless the context otherwise requires:

1. "Commissioner" means the Commissioner of Mortgage Lending.

2. "Division" means the Division of Mortgage Lending of the Department of Business and Industry.

3. "Escrow" means any transaction wherein one person, for the purpose of effecting the sale, transfer, encumbering or leasing of real or personal property to another person, **or for the purposes set forth in NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act**, delivers any written instrument, money, evidence of title to real or personal property, or other thing of value to a third person until the happening of a specified event or the performance of a prescribed condition, when it is then to be delivered by such third person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee, bailor , **prime contractor, lower-tiered subcontractor, supplier, lien claimant** or any agent or employee of any of ~~the latter~~ **those persons**. The term includes the collection of payments and the performance of related services by a third person in connection with a loan secured by a lien on real property. **As used in this subsection:**

(a) "Lien claimant" has the meaning ascribed to it in NRS 108.2214.

(b) “Lower-tiered subcontractor” has the meaning ascribed to it in section 5 of this act.

(c) “Prime contractor” has the meaning ascribed to it in NRS 108.22164.

~~[(c)]~~ **(d) “Supplier” has the meaning ascribed to it in section 7 of this act.**

4. “Escrow agency” means:

- (a) Any person who employs one or more escrow agents; or
- (b) An escrow agent who administers escrows on his or her own behalf.

5. “Escrow agent” means any person engaged in the business of administering escrows for compensation.

Sec. 22. NRS 645A.015 is hereby amended to read as follows:

645A.015 ~~[(The)]~~ **1. Except as otherwise provided in subsection 2, the provisions of this chapter do not apply to:**

~~[(1)]~~ **(a)** Any person:

~~[(a)]~~ **(1)** Doing business under the laws of this State or the United States relating to banks, mutual savings banks, trust companies, savings and loan associations, common and consumer finance companies or industrial loan companies; or

~~[(b)]~~ **(2)** Licensed pursuant to chapter 692A of NRS.

~~[(2)]~~ **(b)** An attorney at law rendering services in the performance of his or her duties as attorney at law, except an attorney actively engaged in conducting an escrow agency.

~~[(3)]~~ **(c)** Any firm or corporation which lends money on real or personal property and is subject to licensing, supervision or auditing by an agency of the United States or of this State.

~~[(4)]~~ **(d)** Any person doing any act under order of any court.

2. The provisions of this chapter apply to any person engaged in the business of administering an escrow pursuant to NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act.

Sec. 22.2. Chapter 662 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The proceeds of any loan, mortgage or other pledge of money to be used to pay for the construction, alteration or repair of a work of improvement must be used to satisfy and pay the prime contractor and the prime contractor’s lower-tiered subcontractors for the work, materials or equipment they have furnished or may furnish for the construction, alteration or repair of the work of improvement.

2. Use by a bank of such proceeds in violation of this section creates a rebuttable presumption, in any action brought by a prime contractor or the lower-tiered subcontractors to whom such money is owed, that the bank has breached its fiduciary duties with respect to such proceeds.

3. As used in this section:

(a) “Lower-tiered subcontractor” has the meaning ascribed to it in section 5 of this act.

(b) “Prime contractor” has the meaning ascribed to it in NRS 108.22164.

(c) “Work of improvement” has the meaning ascribed to it in NRS 108.22188.

Sec. 22.3. NRS 662.231 is hereby amended to read as follows:

662.231 As used in NRS 662.231 to 662.245, inclusive, **and section 22.2 of this act**, “business of a trust company” or “trust company business” has the meaning ascribed to it in NRS 669.029.

Sec. 22.4. NRS 662.235 is hereby amended to read as follows:

662.235 1. Any bank organized under this title may state in its articles of incorporation that it will carry on a trust company business in connection with the banking business, and in addition to the powers conferred upon banks may:

(a) Act as trustee under any mortgage or bond of any person, firm or corporation, or of any municipality or body politic.

(b) Accept and execute any municipal, corporate or individual trust not inconsistent with the laws of this State.

(c) Act under the order or appointment of any court as guardian, commissioner, receiver or trustee.

(d) Act as executor or trustee under any will.

(e) Act as fiscal or transfer agent of any state, municipality, body politic or corporation, and in a capacity to receive and disburse money and register, transfer and countersign certificates of stock, bonds and other evidences of indebtedness.

(f) Act as local or registered agent of foreign corporations.

2. Any such bank holding any asset as a fiduciary shall:

(a) Segregate all such assets from any other assets of the bank and from the assets of any other trust, except as may be expressly provided otherwise by law or by the writing creating the trust.

(b) Record such assets in a separate set of books maintained for fiduciary activities.

3. Any bank organized under this title that undertakes to hold or secure a retention amount as that term is defined in section 6 of this act:

(a) Is acting in the capacity of a fiduciary and shall comply with the provisions of subsection 2;

(b) Is acting in the capacity of an escrow agency pursuant to chapter 645A of NRS; and

(c) Shall, if applicable, comply with the requirements of sections 8 to 11, inclusive, of this act.

Sec. 22.6. NRS 669.045 is hereby amended to read as follows:

669.045 1. “Fiduciary” means ~~to~~ :

(a) A trustee, executor, administrator, guardian of an estate, personal representative, conservator, assignee for the benefit of creditors, receiver, depositary or person that receives on deposit money or property from a public administrator under any provision of this chapter or from another fiduciary ~~to~~; **or**

(b) An owner or lessee who holds a retention amount, or an escrow agency that administers an escrow, pursuant to NRS 108.221 to 108.246, inclusive, and sections 2 to 11, inclusive, of this act.

2. As used in this section, “administrator” includes servicers or administrators of individual retirement accounts within the meaning of section 408(a) of the Internal Revenue Code of 1986, 26 U.S.C. § 408(a), where the servicer or administrator holds itself out to the public for performance of such services and holds or maintains an ownership interest in the servicing rights of such accounts, or possesses or controls any of the assets of such accounts, including cash.

Sec. 22.8. NRS 669.080 is hereby amended to read as follows:

669.080 1. ~~[This]~~ **Except as otherwise provided in subsection 3, this** chapter does not apply to a person who:

(a) Does business under the laws of this State, the United States or another state relating to banks, savings banks, savings and loan associations or thrift companies, but if the trust company business conducted in this State is not subject to supervision by a regulatory authority of another jurisdiction, the person must be licensed pursuant to this chapter before engaging in such business in this State;

(b) Is appointed as a fiduciary pursuant to NRS 662.245;

(c) Is acting in the performance of his or her duties as an attorney at law;

(d) Acts as a trustee under a deed of trust;

(e) Acts as a registered agent for a domestic or foreign corporation, limited-liability company, limited partnership or limited-liability partnership;

(f) Acts as a trustee of a trust holding real property for the primary purpose of facilitating any transaction with respect to real estate if he or she is not regularly engaged in the business of acting as a trustee for such trusts;

(g) Engages in the business of a collection agency pursuant to chapter 649 of NRS;

(h) Engages in the business of an escrow agency, escrow agent or escrow officer pursuant to the provisions of chapter 645A or 692A of NRS;

(i) Acts as a trustee of a trust created for charitable or nonprofit purposes if he or she is not regularly engaged in the business of acting as trustee for such trusts;

(j) Receives money or other property as a real estate broker licensed under chapter 645 of NRS on behalf of a principal;

(k) Engages in transactions as a broker-dealer or sales representative pursuant to chapter 90 of NRS;

(l) Acts as a fiduciary under a court trust;

(m) Does business as an insurer authorized to issue policies of life insurance and annuities or endowment contracts in this State and is subject to regulation and control of the Commissioner of Insurance;

(n) Acts as a fiduciary as an individual;

(o) Acts as a family trust company, unless the family trust company is licensed under this chapter. A family trust company which is not licensed

under the provisions of this chapter shall be deemed not to be engaged in trust company business for the purposes of this chapter; or

(p) Except as otherwise provided in chapter 669A of NRS, is a family trust company, as defined in NRS 669A.080.

2. A bank, savings bank, savings and loan association or thrift company claiming an exemption from this chapter pursuant to paragraph (a) of subsection 1 must notify the Commissioner of Financial Institutions of its intention to engage in the business of a trust company in this State and present proof satisfactory to the Commissioner of Financial Institutions that its fiduciary activities in this State will be subject to regulation by another jurisdiction.

3. The provisions of this chapter apply to an owner or lessee who holds a retention amount, or a person, firm or entity that administers an escrow, pursuant to sections 8 to 11, inclusive, of this act. As used in this subsection:

(a) "Lessee" has the meaning ascribed to it in section 4.5 of this act.

(b) "Owner" has the meaning ascribed to it in NRS 108.22148.

(c) "Retention amount" has the meaning ascribed to it in section 6 of this act.

Sec. 23. 1. This section and sections 1, 5.5, 7.3, 7.4, 12.5 and 13.5 of this act become effective upon passage and approval.

2. Sections 2 to 5, inclusive, 6, 7, 7.5 to 12, inclusive, 13 and 14 to 22.8, inclusive, of this act become effective on July 1, 2011.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 419.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 176.

AN ACT relating to water; requiring the State Engineer to designate certain groundwater basins as critical management areas ~~that~~ **in certain circumstances**; requiring the State Engineer to take certain actions in such a basin unless a groundwater management plan has been approved for the basin; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the State Engineer has various powers and duties with respect to regulating the groundwater in this State. (Chapter 534 of NRS) **Section 3** of this bill requires the State Engineer to designate as a critical management area any basin in which withdrawals of groundwater consistently exceed the perennial yield of the basin ~~that~~ **upon the petition of a majority of the holders of certificates or permits to appropriate water in the basin that are on file in the Office of the State Engineer.** If a basin is

so designated for at least 10 consecutive years, **section 3** requires the State Engineer to order that withdrawals of groundwater be restricted in the basin to conform to priority rights, unless a groundwater management plan has been approved for the basin. **Section 1** of this bill prescribes the procedure for the proposal, approval and revision of such a plan. **Section 2** of this bill includes the existence of a groundwater management plan in a basin as a consideration for the State Engineer in determining whether to grant a request for an extension of the time necessary to work a forfeiture of water in such a basin.

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

Section 1. Chapter 534 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In a basin that has been designated as a critical management area by the State Engineer pursuant to subsection 7 of NRS 534.110, a petition for the approval of a groundwater management plan for the basin may be submitted to the State Engineer. The petition must be signed by a majority of the ~~appropriators of record~~ holders of permits or certificates to appropriate water in the basin that are on file in the Office of the State Engineer ~~in the basin~~ and must be accompanied by a groundwater management plan which must set forth the necessary steps for removal of the basin's designation as a critical management area.

2. In determining whether to approve a groundwater management plan submitted pursuant to subsection 1, the State Engineer shall consider, without limitation:

- (a) The hydrology of the basin;**
- (b) The physical characteristics of the basin;**
- (c) The relationship between surface water and groundwater in the basin;**
- (d) The geographic spacing and location of the withdrawals of groundwater in the basin;**
- (e) The quality of the water in the basin; ~~and~~**
- (f) The wells located in the basin ~~and~~ including, without limitation, domestic wells;**
- (g) Whether a groundwater management plan already exists for the basin; and**
- (h) Any other factor deemed relevant by the State Engineer.**

3. Before approving or disapproving a groundwater management plan submitted pursuant to subsection 1, the State Engineer shall hold a public hearing to take testimony on the plan in the county where the basin lies or, if the basin lies in more than one county, within the county where the major portion of the basin lies. The State Engineer shall cause notice of the hearing to be ~~given~~ :

(a) Given once each week for 2 consecutive weeks before the hearing in a newspaper of general circulation in the county or counties in which the basin lies.

(b) Posted on the Internet website of the State Engineer for at least 2 consecutive weeks immediately preceding the date of the hearing.

4. The decision of the State Engineer on a groundwater management plan may be reviewed by the district court of the county pursuant to NRS 533.450.

5. An amendment to a groundwater management plan must be proposed and approved in the same manner as an original groundwater management plan is proposed and approved pursuant to this section.

Sec. 2. NRS 534.090 is hereby amended to read as follows:

534.090 1. Except as otherwise provided in this section, failure for 5 successive years after April 15, 1967, on the part of the holder of any right, whether it is an adjudicated right, an unadjudicated right or a permitted right, and further whether the right is initiated after or before March 25, 1939, to use beneficially all or any part of the underground water for the purpose for which the right is acquired or claimed, works a forfeiture of both undetermined rights and determined rights to the use of that water to the extent of the nonuse. If the records of the State Engineer or any other documents specified by the State Engineer indicate at least 4 consecutive years, but less than 5 consecutive years, of nonuse of all or any part of a water right which is governed by this chapter, the State Engineer shall notify the owner of the water right, as determined in the records of the Office of the State Engineer, by registered or certified mail that the owner has 1 year after the date of the notice in which to use the water right beneficially and to provide proof of such use to the State Engineer or apply for relief pursuant to subsection 2 to avoid forfeiting the water right. If, after 1 year after the date of the notice, proof of beneficial use is not sent to the State Engineer, the State Engineer shall, unless the State Engineer has granted a request to extend the time necessary to work a forfeiture of the water right, declare the right forfeited within 30 days. Upon the forfeiture of a right to the use of groundwater, the water reverts to the public and is available for further appropriation, subject to existing rights. If, upon notice by registered or certified mail to the owner of record whose right has been declared forfeited, the owner of record fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the forfeiture becomes final. The failure to receive a notice pursuant to this subsection does not nullify the forfeiture or extend the time necessary to work the forfeiture of a water right.

2. The State Engineer may, upon the request of the holder of any right described in subsection 1, extend the time necessary to work a forfeiture under that subsection if the request is made before the expiration of the time necessary to work a forfeiture. The State Engineer may grant, upon request and for good cause shown, any number of extensions, but a single extension

must not exceed 1 year. In determining whether to grant or deny a request, the State Engineer shall, among other reasons, consider:

(a) Whether the holder has shown good cause for the holder's failure to use all or any part of the water beneficially for the purpose for which the holder's right is acquired or claimed;

(b) The unavailability of water to put to a beneficial use which is beyond the control of the holder;

(c) Any economic conditions or natural disasters which made the holder unable to put the water to that use;

(d) Any prolonged period in which precipitation in the basin where the water right is located is below the average for that basin or in which indexes that measure soil moisture show that a deficit in soil moisture has occurred in that basin; ~~and~~

(e) ***Whether a groundwater management plan has been approved for the basin pursuant to section 1 of this act; and***

(f) Whether the holder has demonstrated efficient ways of using the water for agricultural purposes, such as center-pivot irrigation.

➔ The State Engineer shall notify, by registered or certified mail, the owner of the water right, as determined in the records of the Office of the State Engineer, of whether the State Engineer has granted or denied the holder's request for an extension pursuant to this subsection.

3. If the failure to use the water pursuant to subsection 1 is because of the use of center-pivot irrigation before July 1, 1983, and such use could result in a forfeiture of a portion of a right, the State Engineer shall, by registered or certified mail, send to the owner of record a notice of intent to declare a forfeiture. The notice must provide that the owner has at least 1 year after the date of the notice to use the water beneficially or apply for additional relief pursuant to subsection 2 before forfeiture of the owner's right is declared by the State Engineer.

4. A right to use underground water whether it is vested or otherwise may be lost by abandonment. If the State Engineer, in investigating a groundwater source, upon which there has been a prior right, for the purpose of acting upon an application to appropriate water from the same source, is of the belief from his or her examination that an abandonment has taken place, the State Engineer shall so state in the ruling approving the application. If, upon notice by registered or certified mail to the owner of record who had the prior right, the owner of record of the prior right fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the alleged abandonment declaration as set forth by the State Engineer becomes final.

Sec. 3. NRS 534.110 is hereby amended to read as follows:

534.110 1. The State Engineer shall administer this chapter and shall prescribe all necessary regulations within the terms of this chapter for its administration.

2. The State Engineer may:

(a) Require periodical statements of water elevations, water used, and acreage on which water was used from all holders of permits and claimants of vested rights.

(b) Upon his or her own initiation, conduct pumping tests to determine if overpumping is indicated, to determine the specific yield of the aquifers and to determine permeability characteristics.

3. The State Engineer shall determine whether there is unappropriated water in the area affected and may issue permits only if the determination is affirmative. The State Engineer may require each applicant to whom a permit is issued for a well:

(a) For municipal, quasi-municipal or industrial use; and

(b) Whose reasonably expected rate of diversion is one-half cubic foot per second or more,

➡ to report periodically to the State Engineer concerning the effect of that well on other previously existing wells that are located within 2,500 feet of the well.

4. It is a condition of each appropriation of groundwater acquired under this chapter that the right of the appropriator relates to a specific quantity of water and that the right must allow for a reasonable lowering of the static water level at the appropriator's point of diversion. In determining a reasonable lowering of the static water level in a particular area, the State Engineer shall consider the economics of pumping water for the general type of crops growing and may also consider the effect of using water on the economy of the area in general.

5. This section does not prevent the granting of permits to applicants later in time on the ground that the diversions under the proposed later appropriations may cause the water level to be lowered at the point of diversion of a prior appropriator, so long as any protectable interests in existing domestic wells as set forth in NRS 533.024 and the rights of holders of existing appropriations can be satisfied under such express conditions. At the time a permit is granted for a well:

(a) For municipal, quasi-municipal or industrial use; and

(b) Whose reasonably expected rate of diversion is one-half cubic foot per second or more,

➡ the State Engineer shall include as a condition of the permit that pumping water pursuant to the permit may be limited or prohibited to prevent any unreasonable adverse effects on an existing domestic well located within 2,500 feet of the well, unless the holder of the permit and the owner of the domestic well have agreed to alternative measures that mitigate those adverse effects.

6. ~~The~~ ***Except as otherwise provided in subsection 7, the*** State Engineer shall conduct investigations in any basin or portion thereof where it appears that the average annual replenishment to the groundwater supply may not be adequate for the needs of all permittees and all vested-right claimants, and if the findings of the State Engineer so indicate, the State

Engineer may order that withdrawals , *including, without limitation, withdrawals from domestic wells*, be restricted to conform to priority rights.

7. ~~The State Engineer shall :~~

~~(a) May designate as a critical management area any basin in which withdrawals of groundwater consistently exceed the perennial yield of the basin. [as a critical management area. Such a]~~

~~(b) Shall designate as a critical management area any basin in which withdrawals of groundwater consistently exceed the perennial yield of the basin upon receipt of a petition for such a designation which is signed by a majority of the holders of certificates or permits to appropriate water in the basin that are on file in the Office of the State Engineer.~~

~~↪ The designation of a basin as a critical management area pursuant to this subsection may be appealed pursuant to NRS 533.450. If a basin has been designated as a critical management area for at least 10 consecutive years, the State Engineer shall order that withdrawals, including, without limitation, withdrawals from domestic wells, be restricted in that basin to conform to priority rights, unless a groundwater management plan has been approved for the basin pursuant to section 1 of this act.~~

8. In any basin or portion thereof in the State designated by the State Engineer, the State Engineer may restrict drilling of wells in any portion thereof if the State Engineer determines that additional wells would cause an undue interference with existing wells. Any order or decision of the State Engineer so restricting drilling of such wells may be reviewed by the district court of the county pursuant to NRS 533.450.

~~¶ 9. As used in this section, "perennial yield" means the amount of usable water from a groundwater aquifer that can be economically withdrawn and consumed each year for an indefinite period of time, which cannot exceed the natural recharge to that aquifer and is limited to the maximum amount of discharge that can be utilized for beneficial use.~~

Sec. 4. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 422.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 530.

SUMMARY—~~[Provides specific authority for public bodies to lease water rights to certain owners or holders of water rights.]~~ **Revises provisions relating to water.** (BDR 48-681)

AN ACT relating to water; providing specific authority for public bodies to lease water rights to certain owners or holders of water rights; **revising**

provisions relating to the Program for the Management of Groundwater in the Las Vegas Valley Groundwater Basin; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~[This]~~ **Section 1 of this** bill specifically authorizes a public body to lease a water right owned by the public body to an owner or holder of a water right who **, as determined by** the State Engineer, ~~[determines]~~ is exceeding the amount of water to which the owner or holder is entitled.

The Advisory Committee for the Management of Groundwater in the Las Vegas Valley Groundwater Basin is created in existing law to advise the Southern Nevada Water Authority concerning the Program for the Management of Groundwater in the Las Vegas Valley Groundwater Basin. (Sections 8, 9 and 12 of chapter 572, Statutes of Nevada 1997, p. 2799) Section 3 of this bill increases the term of an appointed member of the Advisory Committee from 2 years to 4 years. Section 4 of this bill revises the frequency of the meetings of the Advisory Committee from quarterly to annually. Section 5 of this bill revises the frequency of and responsibility for preparation of reports concerning the Program.

Under existing law, the Southern Nevada Water Authority is authorized to establish a program under which it may enter into an agreement with a property owner in the Basin for the abandonment or plugging of a well on the owner's property or the connection of the property to a public water system. (Section 14.3 of chapter 468, Statutes of Nevada 1999, p. 2386) Section 6 of this bill makes the mandatory provisions in existing law for such an agreement discretionary and authorizes the inclusion of other provisions in such an agreement that are reasonably necessary to carry out the purposes and intent of the program.

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

Section 1. Chapter 533 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A public body may lease a water right owned by the public body to an owner or holder of a water right who, as determined by the State Engineer, is exceeding the amount of water to which the owner or holder is entitled.

2. As used in this section, "public body" means the State or a county, city, town, school district or any public agency of this State or its political subdivisions. The term includes, without limitation, a water district organized pursuant to a special act of the Legislature or a water authority organized as a political subdivision created by a cooperative agreement or created by a special act of the Legislature.

Sec. 2. NRS 533.550 is hereby amended to read as follows:

533.550 1. Notwithstanding any other provision of law ~~§~~ **and except as otherwise provided in section 1 of this act**, a public body shall not sell or lease for a term of more than 5 years a water right owned by the public body unless the public body, after holding at least one public hearing at which public comment was solicited, has issued written findings that:

(a) The sale or lease of the water right is consistent with the prudent, long-term management of the water resources within the jurisdiction of the public body;

(b) The sale or lease of the water right will not deprive residents and businesses within the jurisdiction of the public body of reasonable access to water resources for growth and development;

(c) The sale or lease of the water right is a reasonable means of promoting development and use of the water right; and

(d) The means by which the water right is sold or leased reasonably ensures that the public body will receive the actual value of the water right or comparable economic benefits.

2. As used in this section, “public body” means the State or a county, city, town, school district or any public agency of this State or its political subdivisions. The term does not include a water district organized pursuant to a special act of the Legislature or a water authority organized as a political subdivision created by a cooperative agreement or created by a special act of the Legislature.

Sec. 3. Section 8 of the Southern Nevada Water Authority Act, being chapter 572, Statutes of Nevada 1997, at page 2800, is hereby amended to read as follows:

Sec. 8. 1. The Advisory Committee for the Management of Groundwater in the Las Vegas Valley Groundwater Basin is hereby created. The Advisory Committee consists of:

(a) Seven members to be appointed by the Board of Directors, including:

(1) Two persons who own and operate domestic wells located in the Basin;

(2) One representative of an organization that owns and operates a quasi-municipal well located in the Basin;

(3) One representative of an industrial or commercial user of groundwater which is located in the Basin;

(4) One representative of a private water company which operates in the Basin;

(5) One consumer whose water service is provided entirely by a municipal water purveyor which is located in the Basin; and

(6) One representative of a municipal water purveyor that owns and operates wells located in the Basin;

(b) The State Engineer, or a designated representative of the State Engineer, who is an ex officio nonvoting member of the Advisory Committee; and

(c) The Administrator of the Division of Environmental Protection of the State Department of Conservation and Natural Resources, or a designated representative of the Administrator, who is an ex officio nonvoting member of the Advisory Committee.

2. Members of the Advisory Committee serve without compensation, except that while engaged in the business of the Advisory Committee, each member is entitled to the per diem allowance and travel expenses provided for state officers and employees generally, to be paid by the Southern Nevada Water Authority.

3. After the initial term, the term of each appointed member is ~~12~~ 4 years. Members may be reappointed. At the expiration of the term of a member, or if a member resigns or is otherwise unable to complete his or her term, the Board of Directors shall, not later than 90 days after the vacancy occurs, appoint a person pursuant to subsection 4 to fill the vacancy.

4. In replacing a member described in:

(a) Subparagraph (1), (2) or (3) of paragraph (a) of subsection 1, the Board of Directors shall consider recommendations solicited from a representative sampling of owners of domestic wells, persons and organizations associated with quasi-municipal wells, and industrial and commercial users of groundwater, respectively.

(b) Subparagraph (4), (5) or (6) of paragraph (a) of subsection 1, the Board of Directors shall consider recommendations solicited from the various entities that comprise the Southern Nevada Water Authority.

Sec. 4. Section 9 of the Southern Nevada Water Authority Act, being chapter 572, Statutes of Nevada 1997, at page 2800, is hereby amended to read as follows:

Sec. 9. ~~11~~ The Advisory Committee shall meet at least once every ~~12~~ months.

~~2. The Advisory Committee shall elect from its members a Chair who shall serve for a term of 2 years. Any vacancy occurring in the office of Chair must be filled by majority vote of the members of the Advisory Committee for the remainder of the unexpired term.~~ 1 year.

Sec. 5. Section 12 of the Southern Nevada Water Authority Act, being chapter 572, Statutes of Nevada 1997, at page 2801, is hereby amended to read as follows:

Sec. 12. ~~1. On or before December 31 of each year, the Southern Nevada Water Authority shall prepare a summary report which describes the activities of the Management Program and the Advisory Committee during the preceding calendar year.~~

~~2.~~ On or before December 31 of each even-numbered year, the Southern Nevada Water Authority ~~and the Advisory Committee~~ shall prepare a ~~joint~~ report and submit the report to the Director of the Legislative Counsel Bureau for transmittal to the Nevada Legislature. The ~~joint~~ report must include, without limitation:

~~[(c)]~~ **1.** A summary of all of the activities, studies and research conducted on behalf of the Management Program during the previous 2 calendar years;

~~[(b)]~~ **2.** A detailed assessment of the joint public workshops conducted by the Southern Nevada Water Authority and the Advisory Committee during the previous 2 calendar years, including documentation of the comments made on the record by the members of the general public who attended the workshops;

~~[(c)]~~ **3.** A statement of income and expenditures related to the Management Program; and

~~[(d)]~~ **4.** An assessment from the Advisory Committee concerning the status of the groundwater in the Basin and the activities related to the management of the Basin, including any recommendations concerning:

~~[(1)]~~ **(a)** Whether activities, fees and other aspects of the Management Program should be continued, modified or terminated; and

~~[(2)]~~ **(b)** Plans for additional activities for the management of groundwater in the Basin, and for the protection of the aquifer in which the Basin is located.

Sec. 6. Section 14.3 of the Southern Nevada Water Authority Act, being chapter 468, Statutes of Nevada 1999, at page 2386, is hereby amended to read as follows:

Sec. 14.3. 1. The Southern Nevada Water Authority may, in consultation with the Advisory Committee, establish a program under which it may enter into an agreement with an owner of real property located in the Basin to:

- (a) Abandon or plug a well located on the real property;
- (b) Install pipes and other appurtenances to deliver water to the real property; and
- (c) Pay fees related to the connection of the property to a public water system.

2. An agreement entered into pursuant to subsection 1 ~~[(must)]~~ **may:**

(a) Provide for the repayment, over time, to the Southern Nevada Water Authority by the owner of the real property all money expended by the Southern Nevada Water Authority pursuant to the agreement;

(b) Provide that all money to be repaid to the Southern Nevada Water Authority pursuant to the agreement be due and payable upon the sale or other transfer of the real property;

(c) Be secured by a lien upon the real property; ~~[(and)]~~

(d) Be acknowledged and recorded in the same manner as conveyances affecting real property are required to be acknowledged and recorded pursuant to chapter 111 of NRS ~~[(1)]~~; **and**

(e) Include any other provision that is reasonably necessary to carry out the purposes and intent of the program established pursuant to subsection 1.

3. An abandonment or plugging of a well pursuant to an agreement entered into pursuant to subsection 1 must be conducted in a manner approved by the State Engineer.

4. As used in this section, “public water system” has the meaning ascribed to it in NRS 445A.840.

~~Sec. 3.~~ **Sec. 7.** This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 443.

Bill read third time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 311.

Assembly Bill No. 443—Assemblymen Brooks; Benitez-Thompson, Bustamante Adams, Ellison, Hickey, Kirkpatrick, **OCEGUERA** and Sherwood

AN ACT relating to taxation; providing a deduction from the payroll tax for wages paid to newly hired full-time employees under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires employers to pay a payroll tax on the wages paid to their respective employees during each calendar quarter. The tax is imposed on financial institutions at the rate of 2 percent per calendar quarter and on other employers at the rate of 0.63 percent per calendar quarter. (NRS 363A.130, 363B.110) **Sections 1 and 2** of this bill authorize financial institutions and other employers, respectively, to deduct from the total amount of wages reported and upon which the payroll tax is imposed all wages paid to a newly hired full-time employee during the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of all wages paid to the employee during the fifth through eighth full calendar quarters next following the hiring of the employee if, at the time of hiring, the employee has been unemployed for a continuous period of not less than 60 days and certain other conditions are satisfied.

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

Section 1. Chapter 363A of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 2, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to NRS 363A.130 all wages paid by the employer to an employee during the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of all wages paid by the employer to

the employee during the fifth through eighth full calendar quarters next following the hiring of the employee, if:

- (a) The employee is first hired by the employer on or after July 1, 2011;*
- (b) At the time of hiring, the employee has been unemployed for a continuous period of not less than 60 days;*
- (c) The employee is employed in a full-time position throughout the entire calendar quarter for which the deduction is claimed;*
- (d) The total number of employees employed by the employer on the last day of the calendar quarter for which the deduction is claimed exceeds the total number of employees employed by the employer on the last day of the corresponding calendar quarter of the immediately preceding calendar year; and*
- (e) The total number of hours worked by all employees employed by the employer during the calendar quarter for which the deduction is claimed exceeds the total number of hours worked by all employees employed by the employer during the corresponding calendar quarter of the immediately preceding calendar year.*

2. The total amount of wages with respect to which an employer may, pursuant to subsection 1, claim a deduction from the excise tax imposed pursuant to NRS 363A.130 must not, under any circumstances, exceed the amount by which the total wages paid by the employer to all employees during the calendar quarter for which the deduction is claimed exceed the total wages paid by the employer to all employees during the corresponding calendar quarter of the immediately preceding calendar year.

3. An employer claiming the deduction allowed pursuant to this section shall, upon the request of the Department, explain the amount claimed to the satisfaction of the Department and provide the Department with such documentation as the Department deems appropriate for that purpose.

Sec. 2. Chapter 363B of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 2, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to NRS 363B.110 all wages paid by the employer to an employee during the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of all wages paid by the employer to the employee during the fifth through eighth full calendar quarters next following the hiring of the employee, if:

- (a) The employee is first hired by the employer on or after July 1, 2011;*
- (b) At the time of hiring, the employee has been unemployed for a continuous period of not less than 60 days;*
- (c) The employee is employed in a full-time position throughout the entire calendar quarter for which the deduction is claimed;*
- (d) The total number of employees employed by the employer on the last day of the calendar quarter for which the deduction is claimed exceeds the total number of employees employed by the employer on the last day of the*

corresponding calendar quarter of the immediately preceding calendar year; and

(e) The total number of hours worked by all employees employed by the employer during the calendar quarter for which the deduction is claimed exceeds the total number of hours worked by all employees employed by the employer during the corresponding calendar quarter of the immediately preceding calendar year.

2. The total amount of wages with respect to which an employer may, pursuant to subsection 1, claim a deduction from the excise tax imposed pursuant to NRS 363B.110 must not, under any circumstances, exceed the amount by which the total wages paid by the employer to all employees during the calendar quarter for which the deduction is claimed exceed the total wages paid by the employer to all employees during the corresponding calendar quarter of the immediately preceding calendar year.

3. An employer claiming the deduction allowed pursuant to this section shall, upon the request of the Department, explain the amount claimed to the satisfaction of the Department and provide the Department with such documentation as the Department deems appropriate for that purpose.

Sec. 3. This act becomes effective on July 1, 2011.

Assemblywoman Kirkpatrick moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Kirkpatrick moved that upon return from the printer, Assembly Bill No. 443 be rereferred to the Committee on Ways and Means.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 448.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 357.

AN ACT relating to real property; ~~providing for the issuance of cease and desist orders by the Administrator of the Real Estate Division of the Department of Business and Industry under certain circumstances;~~ revising provisions governing access to a unit in a common-interest community; prohibiting an association of a common-interest community from charging certain fees; prohibiting an association from enacting certain restrictions on antennae and certain other devices for receiving broadcast signals; ~~revising provisions governing the powers of an association;~~ revising provisions governing the filling of vacancies on an executive board; revising provisions governing the powers and duties of the executive board; revising provisions governing construction penalties; revising provisions governing ~~sanctions~~ fines for violations of the governing documents; ~~revising provisions~~

~~governing the collection of certain past due financial obligations;~~ revising provisions governing eligibility to be ~~for a member of the executive board or~~ an officer of the association; requiring members of the executive board to complete certain courses of education; revising provisions governing meetings of the units' owners and of the executive board; ~~revising provisions governing surplus funds of an association; revising provisions governing the budget of an association;~~ revising provisions governing certain expenditures by an association; ~~revising provisions governing assessments to fund the reserves of an association;~~ revising provisions governing studies of the reserves of an association; ~~revising provisions governing liens of an association;~~ revising provisions governing the books, records and papers of an association; revising provisions governing parking in a common-interest community; revising provisions governing claims based on alleged violations of certain laws ~~and the interpretation, application and enforcement of the~~ or the governing documents; revising various other provisions relating to common-interest communities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~§ Section 1 of this bill provides for the issuance of orders to cease and desist by the Administrator of the Real Estate Division of the Department of Business and Industry under certain circumstances.~~

Existing law prohibits an association of a common-interest community from unreasonably restricting, prohibiting or otherwise impeding the right of a unit's owner to have access to his or her unit. (NRS 116.2111) **Section 2** of this bill prohibits the association from restricting, prohibiting or otherwise impeding the access to ~~the~~ a unit of ~~the parents and children of the unit's owner.~~ **any resident of the unit.** **Section 2** also prohibits the association from: (1) charging a fee to a unit's owner for obtaining permission to change the exterior appearance of a unit or the landscaping; and (2) restricting in a manner which violates certain federal regulations the installation, maintenance or use of an antenna or other device for receiving certain broadcast signals.

~~§ Existing law requires an association to provide certain notice at least 48 hours before directing the removal of a vehicle which is improperly parked on property owned or leased by the association unless the vehicle is blocking a fire hydrant, fire lane or handicapped parking space or poses a threat to the health, safety and welfare of residents. (NRS 116.3102) Section 3 of this bill requires the association to provide the 48 hour notice before removing a vehicle which is blocking a handicapped parking space.~~

Section 4 of this bill ~~provides for an emergency election to fill certain vacancies on the executive board if the executive board is unable to obtain a quorum because of such vacancies and requires the Division to apply for the appointment of a receiver for the association if the units' owners are unable to fill such vacancies. Section 4 also: (1)~~ requires the association to make available to members of the executive board, at no charge, certain books, records and papers. ~~It; and (2) requires the executive board to notify the~~

~~units' owners if the executive board has been found to have violated the provisions of existing law governing common interest communities or the governing documents.]~~

Existing law authorizes an association to impose a construction penalty against a unit's owner who fails to adhere to a schedule. (NRS 116.310305) **Section 5** of this bill prohibits the imposition of a construction penalty if the failure to adhere to the schedule is caused by circumstances beyond the control of the unit's owner.

~~[Existing law authorizes an association to prohibit a unit's owner or a tenant or an invitee of a unit's owner or a tenant from using the common elements as a sanction for a violation of the governing documents. (NRS 116.31031) Section 6 of this bill provides that the association may prohibit only the use of a common element to which the violation relates, unless the violation is failure to pay an assessment.]~~ **Section 6 ~~also~~ of this bill** revises provisions relating to fines for violations of the governing documents by: (1) ~~[providing a lifetime cap of \$2,500 on the amount of fines which may be imposed on a unit's owner and his or her spouse; (2)]~~ prohibiting an association from imposing a fine if another association has imposed a fine for the same conduct; ~~[(3)]~~ **(2)** authorizing the postponement of a hearing on a violation for medical reasons; ~~and (4)]~~ **(3)** requiring a hearing before the imposition of a fine for a continuing violation ~~[(4)]~~; **and (4) staying the imposition and collection of a fine if a unit's owner files with the Real Estate Division of the Department of Business and Industry a claim or affidavit concerning the imposition of the fine.**

Existing law authorizes, but does not require, an association to enter the grounds of a unit to maintain the exterior of the unit under certain circumstances. (NRS 116.310312) **Section 7** of this bill provides that this authorization expires if the unit's owner or the agent of the unit's owner performs the maintenance necessary for the unit to meet the community standards.

~~[Section 8 of this bill limits the type of collection fees which an association may charge to a unit's owner and establishes a cap on the amount of such fees which is based on the amount of the outstanding balance.]~~

Section 9 of this bill requires a member of the executive board to ~~[successfully]~~ complete 2 hours of education concerning the duties of members of an executive board each year. **Section 9** also provides that ~~[(1)]~~ unless the governing documents provide otherwise, officers of the association are required to be units' owners. ~~[(1)]~~ **and (2)** a person who resides with, or is related within the first degree of consanguinity to, an officer of the association or member of the executive board may not become an officer of the association or a member of the executive board.

Section 11 of this bill revises various provisions relating to meetings of the units' owners by ~~[(1)]~~ authorizing a unit's owner to request that an item be included on the agenda for the meeting; ~~(2)]~~ authorizing a guest of a unit's

owner to attend the meeting. ~~}; and (2) authorizing a unit's owner to record the meeting on videotape as well as audiotape.~~

Section 12 of this bill revises various provisions relating to meetings of the executive board by: (1) requiring the meetings which are held at a time other than standard business hours to start no earlier than 6 p.m.; (2) requiring the agenda to be available not later than 5 days before the meeting; (3) requiring a copy of certain financial information required to be reviewed at an executive board meeting to be made available at no charge to each person present at the meeting and to be provided in electronic format at no charge to a unit's owner who requests the information; and (4) providing that a page limit on materials, remarks or other information to be included in the minutes of the meeting must not be less than two double-sided pages.

Section 13 of this bill ~~revises provisions governing the right of a unit's owner to speak at a meeting of the units' owners or the executive board by: (1) requiring a limitation of not less than 3 minutes on the time a unit's owner may speak; (2) requiring the association to comply with the Americans with Disabilities Act in providing access to the meeting; (3) requiring the executive board to provide a period of comments by the units' owners before voting on a matter; and (4) authorizing~~ **authorizes** a person to be represented by a person of his or her choosing at a hearing concerning an alleged violation of the governing documents.

Section 14 of this bill requires bids for the provision of durable goods to the association to be opened during a meeting of the executive board.

Existing law requires an executive board which receives a complaint from a unit's owner alleging that the executive board has violated existing law or the governing documents to place the subject of the complaint on the agenda for its next meeting if the unit's owner requests that action. (NRS 116.31087) **Section 15** of this bill requires the executive board to discuss the complaint fully and completely and attempt to resolve the complaint at the meeting.

~~}; Existing law creates certain crimes related to voting by units' owners. (NRS 116.31107) Section 16 of this bill requires these provisions to be printed on each ballot provided to the units' owners.~~

~~Section 17 of this bill defines "surplus funds" for the purpose of determining whether the association is required to pay the surplus funds to units' owners.~~

Existing law requires a review or audit of the financial statement of an association at certain times. (NRS 116.31144) **Section 18** of this bill requires the association to provide a copy of the review or audit ~~to a~~ **at the request of a** unit's owner in ~~either~~ **paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page for each page thereafter,** or in electronic format at no charge. ~~to the unit's owner if the unit's owner requests such a copy.~~

~~Under existing law, the proposed budget of an association takes effect unless the units' owners reject the proposed budget. (NRS 116.3115, 116.31151) Sections 19 and 20 of this bill provide that the proposed budget~~

~~does not take effect unless the units' owners ratify the proposed budget. If the proposed budget is not ratified, the most recently ratified budget continues in effect.~~

~~Section 19 also revises provisions governing special assessments by: (1) removing provisions which specifically authorize the executive board to impose necessary and reasonable assessments to carry out a plan to adequately fund the reserves of the association without seeking or obtaining the approval of the units' owners; (2) providing that an assessment to fund the reserves of the association may not exceed \$35 per unit per month; and (3) requiring the approval of the units' owners for capital expenditures exceeding a certain amount and for any visible changes to the interior or exterior of a common element.]~~

Section 20 of this bill requires the collections policy of the association to establish a certain period after which a delinquent fee, fine, assessment or cost may be referred for collection.

Existing law requires an association to conduct a study of the reserves required to repair, replace and restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain. (NRS 116.31152) **Section 21** of this bill prohibits the executive board from taking any action based on the study of the reserves, including, without limitation, establishing a funding plan to provide adequate funding for the required reserves, unless and until the executive board approves the study of the reserves at a meeting of the executive board. **Section 21** also: (1) requires the reserve study to be made available to a unit's owner in electronic format at no charge; and (2) provides for notice of the meeting to a unit's owner.

~~[Section 22 of this bill revises provisions governing the amount of the association's lien which is prior to a first security interest on a unit.~~

~~Section 23 of this bill prohibits the foreclosure of an association's lien and the filing of a civil action to obtain a judgment for the amount due if: (1) the foreclosure sale does not occur within 120 days after mailing the notice of default and election to sell; or (2) an agreement extending that period is not reached.]~~

Section 24 of this bill revises provisions governing the access of a unit's owner to the books, records and papers of an association. ~~[and requires the publication of the views or opinions of a unit's owner in the association's official newsletter under certain circumstances.]~~

Existing law provides for a civil action if the executive board, a member of the executive board, a community manager or an officer, employee or agent of the association take, direct or encourage certain retaliatory action against a unit's owner. (NRS 116.31183) **Section 25** of this bill specifies certain actions which constitute retaliatory action.

~~[Section 26 of this bill prohibits an association from charging a fee to a unit's owner to obtain approval for the installation of drought tolerant landscaping.]~~

Section 27 of this bill replaces the authorization of an executive board to approve the renting or leasing of a unit under certain circumstances with a provision requiring the executive board to grant such approval under certain circumstances.

Section 28 of this bill ~~is: (1) prohibits the executive board and the governing documents from interfering with the parking of an automobile, privately owned standard pickup truck, motorcycle or certain other vehicles; and (2)~~ requires the association of a common-interest community which is not gated or enclosed to display signs on or near any property on which parking is prohibited or restricted.

~~Sections 29 and 33 of this bill revise provisions governing mediation and arbitration of claims relating to the interpretation, application or enforcement of certain governing documents by authorizing a civil action concerning certain claims to be commenced without submitting the claims to mediation or arbitration.~~ Section 29 ~~also~~ of this bill authorizes a civil action concerning a violation of the governing documents of a common-interest community or a violation of existing law governing common-interest communities to be brought by a tenant or an invitee of a unit's owner or a tenant.

Sections 31 and 32 of this bill require the sharing of information by the parties to an affidavit filed with the Division alleging a violation of existing law governing common-interest communities.

Section 34 of this bill revises provisions governing the mediation and arbitration of certain claims relating to the governing documents by: (1) ~~prohibiting the findings of a mediator or arbitrator from being admitted in a civil action; (2)~~ limiting the fees of a mediator or an arbitrator to ~~[\$750; (3)]~~ \$1,000 unless a greater fee is authorized by the Commission for Common-Interest Communities and Condominium Hotels; (2) requiring each party to a mediation or arbitration to pay an equal percentage of the fees of a mediator or arbitrator; ~~[(4)]~~ (3) providing that a party to a mediation or arbitration is not liable for the costs and attorney's fees incurred by another party during the mediation or arbitration; and ~~[(5)]~~ (4) providing for the removal of a mediator or arbitrator under certain circumstances.

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

Section 1. ~~Chapter 116 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. If the Administrator has reasonable cause to believe that any person or executive board has engaged in any activity in violation of any provision of this chapter, any regulation adopted pursuant thereto or any order, decision, demand or requirement of the Commission or Division or a hearing panel, or is about to commit such a violation, and that the violation or potential violation has caused or is likely to cause irreversible harm, the Administrator may issue an order directing the person or executive board~~

~~to desist and refrain from continuing to commit the violation or from doing any act in furtherance of the violation.~~

~~2. Within 30 days after the receipt of such an order, the person may file a verified petition with the Administrator for a hearing before the Commission.~~

~~3. The Commission shall hold a hearing at the next regularly scheduled meeting of the Commission. If the Commission fails to hold such a hearing, or does not render a written decision within 30 days after the hearing, the cease and desist order is rescinded.~~

~~4. The decision of the Commission at a hearing held pursuant to subsection 3 is a final decision for the purposes of judicial review.]~~
(Deleted by amendment.)

Sec. 2. NRS 116.2111 is hereby amended to read as follows:

116.2111 1. Except as otherwise provided in this section and subject to the provisions of the declaration and other provisions of law, a unit's owner:

(a) May make any improvements or alterations to his or her unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community;

(b) May not change the appearance of the common elements, or the exterior appearance of a unit or any other portion of the common-interest community, without permission of the association; and

(c) After acquiring an adjoining unit or an adjoining part of an adjoining unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.

2. An association may not:

(a) ~~{Unreasonably restrict,}~~ **Restrict,** prohibit or otherwise impede the lawful rights of a unit's owner ~~{, and the children or parents of a unit's owner,}~~ **, or any resident of a unit,** to have reasonable access to his or her unit ~~{,}~~ **, unless directed otherwise by the unit's owner.**

(b) Charge any fee for a person to enter the common-interest community to provide services to a unit, a unit's owner or a tenant of a unit's owner or for any visitor to the common-interest community or invitee of a unit's owner or a tenant of a unit's owner to enter the common-interest community.

(c) Unreasonably restrict, prohibit or withhold approval for a unit's owner to add to a unit:

(1) Improvements such as ramps, railings or elevators that are necessary to improve access to the unit for any occupant of the unit who has a disability;

(2) Additional locks to improve the security of the unit;

(3) Shutters to improve the security of the unit or to reduce the costs of energy for the unit; or

(4) A system that uses wind energy to reduce the costs of energy for the unit if the boundaries of the unit encompass 2 acres or more within the common-interest community.

(d) With regard to approving or disapproving any improvement or alteration made to a unit, act in violation of any state or federal law.

(e) Charge any fee to a unit's owner for obtaining permission to change the exterior appearance of a unit or the landscaping associated with a unit.

(f) Restrict in a manner which violates the provisions of 47 C.F.R. § 1.4000 the installation, maintenance or use of any antenna or other device described in that section.

3. Any improvement or alteration made pursuant to subsection 2 that is visible from any other portion of the common-interest community must be installed, constructed or added in accordance with the procedures set forth in the governing documents of the association and must be selected or designed to the maximum extent practicable to be compatible with the style of the common-interest community.

4. An association may not unreasonably restrict, prohibit or withhold approval for a unit's owner to add shutters to improve the security of the unit or to reduce the costs of energy for the unit, including, without limitation, rolling shutters, that are attached to a portion of an interior or exterior window, interior or exterior door or interior or exterior wall which is not part of the unit and which is a common element or limited common element if:

(a) The portion of the window, door or wall to which the shutters are attached is adjoining the unit; and

(b) The shutters must necessarily be attached to that portion of the window, door or wall during installation to achieve the maximum benefit in improving the security of the unit or reducing the costs of energy for the unit.

5. If a unit's owner adds shutters pursuant to subsection 4, the unit's owner is responsible for the maintenance of the shutters.

6. For the purposes of subsection 4, a covenant, restriction or condition which does not unreasonably restrict the addition of shutters and which is contained in the governing documents of a common-interest community or a policy established by a common-interest community is enforceable so long as the covenant, restriction or condition was:

(a) In existence on July 1, 2009; or

(b) Contained in the governing documents in effect on the close of escrow of the first sale of a unit in the common-interest community.

7. A unit's owner may not add to the unit a system that uses wind energy as described in subparagraph 4 of paragraph (c) of subsection 2 unless the unit's owner first obtains the written consent of each owner of property within 300 feet of any boundary of the unit.

Sec. 3. NRS 116.3102 is hereby amended to read as follows:

116.3102 1. Except as otherwise provided in this section, and subject to the provisions of the declaration, the association may do any or all of the following:

- (a) Adopt and amend bylaws, rules and regulations.
- (b) Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for common expenses from the units' owners.
- (c) Hire and discharge managing agents and other employees, agents and independent contractors.
- (d) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more units' owners on matters affecting the common-interest community.
- (e) Make contracts and incur liabilities. Any contract between the association and a private entity for the furnishing of goods or services must not include a provision granting the private entity the right of first refusal with respect to extension or renewal of the contract.
- (f) Regulate the use, maintenance, repair, replacement and modification of common elements.
- (g) Cause additional improvements to be made as a part of the common elements.
- (h) Acquire, hold, encumber and convey in its own name any right, title or interest to real estate or personal property, but:
 - (1) Common elements in a condominium or planned community may be conveyed or subjected to a security interest only pursuant to NRS 116.3112; and
 - (2) Part of a cooperative may be conveyed, or all or part of a cooperative may be subjected to a security interest, only pursuant to NRS 116.3112.
- (i) Grant easements, leases, licenses and concessions through or over the common elements.
- (j) Impose and receive any payments, fees or charges for the use, rental or operation of the common elements, other than limited common elements described in subsections 2 and 4 of NRS 116.2102, and for services provided to the units' owners, including, without limitation, any services provided pursuant to NRS 116.310312.
- (k) Impose ~~collection costs and~~ charges for late payment of assessments pursuant to NRS 116.3115.
- (l) Impose construction penalties when authorized pursuant to NRS 116.310305.
- (m) Impose reasonable fines for violations of the governing documents of the association only if the association complies with the requirements set forth in NRS 116.31031.
- (n) Impose reasonable charges for the preparation and recordation of any amendments to the declaration or any statements of unpaid assessments, and impose reasonable fees, not to exceed the amounts authorized by NRS 116.4109, for preparing and furnishing the documents and certificate required by that section.
- (o) Provide for the indemnification of its officers and executive board and maintain directors' and officers' liability insurance.

(p) Assign its right to future income, including the right to receive assessments for common expenses, but only to the extent the declaration expressly so provides.

(q) Exercise any other powers conferred by the declaration or bylaws.

(r) Exercise all other powers that may be exercised in this State by legal entities of the same type as the association.

(s) Direct the removal of vehicles improperly parked on property owned or leased by the association, as authorized pursuant to NRS 487.038, or improperly parked on any road, street, alley or other thoroughfare within the common-interest community in violation of the governing documents. In addition to complying with the requirements of NRS 487.038 and any requirements in the governing documents, if ~~for~~ **any vehicle, regardless of the person who owns the vehicle**, is improperly parked as described in this paragraph, the association must post written notice in a conspicuous place on the vehicle or provide oral or written notice to the owner or operator of the vehicle at least 48 hours before the association may direct the removal of the vehicle, unless the vehicle:

(1) Is blocking a fire hydrant, ~~for~~ fire lane or parking space designated for the handicapped; or

(2) Poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community.

(t) Exercise any other powers necessary and proper for the governance and operation of the association.

2. The declaration may not impose limitations on the power of the association to deal with the declarant which are more restrictive than the limitations imposed on the power of the association to deal with other persons.

3. Notwithstanding any provision of this chapter or the governing documents to the contrary, an association may not impose any assessment pursuant to this chapter or the governing documents on the owner of any property in the common-interest community that is exempt from taxation pursuant to NRS 361.125. For the purposes of this subsection, "assessment" does not include any charge for any utility services, including, without limitation, telecommunications, broadband communications, cable television, electricity, natural gas, sewer services, garbage collection, water or for any other service which is delivered to and used or consumed directly by the property in the common-interest community that is exempt from taxation pursuant to NRS 361.125.

Sec. 4. NRS 116.3103 is hereby amended to read as follows:

116.3103 1. Except as otherwise provided in the declaration, the bylaws, this section or other provisions of this chapter, the executive board may act in all instances on behalf of the association. In the performance of their duties, the officers and members of the executive board are fiduciaries and shall act on an informed basis, in good faith and in the honest belief that

their actions are in the best interest of the association. The members of the executive board are required to exercise the ordinary and reasonable care of directors of a corporation, subject to the business-judgment rule.

2. The executive board may not act on behalf of the association to amend the declaration, to terminate the common-interest community, or to elect members of the executive board or determine their qualifications, powers and duties or terms of office, but the executive board may fill vacancies in its membership for the unexpired portion of any term ~~if the executive board is able to obtain a quorum pursuant to subsection 3 of NRS 116.3109~~ unless the governing documents provide that a vacancy on the executive board must be filled by a vote of the membership of the association. ***If the executive board is authorized to fill vacancies in its membership pursuant to this subsection, the executive board may not appoint to the executive board a person who has been removed from the executive board pursuant to NRS 116.31036 within the immediately preceding 6 years.***

3. ***Notwithstanding the provisions of NRS 116.31175, 116.31177 and 116.3118, upon the request of a member of the executive board, the association shall make available to the member of the executive board, at no charge, the books, records and other papers of the executive board and the association, including, without limitation, records, invoices, contracts, agreements, letters of instruction issued by the Division, correspondence between a unit's owner and the community manager, notices of violations, financial records, bank statements, personnel records, employment contracts, reserve studies, notices of delinquent assessments and notices of default and election to sell mailed pursuant to NRS 116.31162, architectural plans and specifications submitted by a unit's owner, minutes of executive sessions of the executive board, voice recordings and any other book, record or paper created by the executive board or the association, its agents or a member of the executive board acting in the course and scope of his or her duties as a member of the executive board.***

~~4. If the Commission, a mediator or an arbitrator who conducts a mediation or arbitration pursuant to NRS 38.300 to 38.360, inclusive, or a court finds that the executive board has committed a violation of any provision of the governing documents, this chapter, any regulation adopted pursuant thereto or any order of the Commission or a hearing panel, the executive board must notify the units' owners of the findings by mailing a statement of the findings to the mailing address of each unit within the common interest community or to any other mailing address designated in writing by a unit's owner.~~

~~5. Notwithstanding any provision of this chapter or the governing documents, if the executive board is unable to obtain a quorum pursuant to subsection 3 of NRS 116.3109 because of vacancies on the executive board, the association must, within 30 days, hold a meeting of the units' owners for the purpose of conducting an election to fill such vacancies as necessary to~~

~~provide a quorum for the executive board. The meeting and election must be conducted in the following manner:~~

~~(a) Not later than 10 days in advance of the meeting, the secretary or other officer specified in the bylaws shall cause notice of the meeting to be hand delivered, sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner or, if the association offers to send notice by electronic mail, sent by electronic mail at the request of the unit's owner to an electronic mail address designated in writing by the unit's owner. The notice of the meeting must state the time and place of the meeting and that the meeting is being held for the purpose of filling vacancies on the executive board. The notice must include notification of the right of a unit's owner to:~~

~~(1) Have a copy of the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter;~~

~~(2) Speak to the association regarding the election to fill vacancies on the executive board.~~

~~(b) At the meeting:~~

~~(1) A quorum of the units' owners is not required for the nomination of any candidate to fill a vacancy on the executive board or for the election to fill the vacancy;~~

~~(2) A unit's owner may attend the meeting in person or by proxy. The provisions of NRS 116.311 apply to the use of proxies at the meeting.~~

~~(3) The units' owners present in person or by proxy shall nominate candidates to fill such vacancies on the executive board as are necessary to create a quorum for the executive board.~~

~~(4) After nominations are taken, the election to fill a vacancy must be conducted by secret written ballot.~~

~~(5) The secret written ballots must be opened and counted at the meeting and the candidate receiving a majority of the votes cast for that seat on the executive board is elected to the executive board for the period provided in paragraph (d).~~

~~(e) The provisions of subsections 8, 9, 11 and 12 of NRS 116.3108 regarding the minutes of the meeting and the recording of the meeting by a unit's owner are applicable to the meeting.~~

~~(d) Upon the election of members to the executive board pursuant to this subsection:~~

~~(1) A candidate elected to the executive board pursuant to this subsection is elected for a term of 90 days, except that if the regular election for that seat on the executive board must be conducted within 180 days after the candidate's election, the candidate is elected for the unexpired portion of the term.~~

~~(2) The executive board may not fill any vacancy remaining after the election but, within 90 days after the election pursuant to this subsection, must call for an election to be conducted pursuant to NRS 116.31034 to fill:~~

~~(I) Each remaining vacancy for which a regular election is not required within 180 days; and~~

~~(II) The seats on the executive board which were filled pursuant to this subsection, unless an election for such a seat is required to be conducted within 180 days.~~

~~6. If, at an election conducted pursuant to subsection 5, the units' owners do not fill a sufficient number of vacancies on the executive board to provide a quorum for the executive board, the Division must apply to a court of competent jurisdiction for the appointment of a receiver for the association. In the application for the appointment of the receiver, notice of a temporary appointment of a receiver may be given to the association alone, by process as in the case of an application for a temporary restraining order or injunction. The hearing thereon may be had after 5 days' notice unless the court directs a longer or different notice and different parties. The court may appoint one or more receivers to carry out the business of the association. The members of the executive board must be preferred in making the appointment. The powers of any receiver appointed pursuant to this subsection may be continued as long as the court deems necessary and proper. At any time, for sufficient cause, the court may order the receivership terminated. Any receiver appointed pursuant to this subsection has, among the usual powers, all the functions, powers, tenure and duties to be exercised under the direction of the court as are conferred on receivers and as provided in NRS 78.635, 79.640 and 79.645, whether or not the association is insolvent. Such powers include, without limitation, the powers to:~~

~~(a) Take charge of the estate and effects of the association;~~

~~(b) Appoint an agent or agents;~~

~~(c) Collect any debts and property due and belonging to the association and prosecute and defend, in the name of the association, or otherwise, any civil action as may be necessary or proper for the purposes of collecting debts and property;~~

~~(d) Perform any other act in accordance with the governing documents of the association and this chapter that may be necessary for the association to carry out its obligations; and~~

~~(e) By injunction, restrain the association from exercising any of its powers or doing business in any way except by and through a receiver appointed by the court.]~~

Sec. 5. NRS 116.310305 is hereby amended to read as follows:

116.310305 1. A unit's owner shall adhere to a schedule required by the association for:

(a) The completion of the design of a unit or the design of an improvement to a unit;

(b) The commencement of the construction of a unit or the construction of an improvement to a unit;

(c) The completion of the construction of a unit or the construction of an improvement to the unit; or

(d) The issuance of a permit which is necessary for the occupancy of a unit or for the use of an improvement to a unit.

2. ~~The~~ **Except as otherwise provided by subsection 3, the** association may impose and enforce a construction penalty against a unit's owner who fails to adhere to a schedule as required pursuant to subsection 1 if:

(a) The maximum amount of the construction penalty and the schedule are set forth in:

(1) The declaration;

(2) Another document related to the common-interest community that is recorded before the date on which the unit's owner acquired title to the unit; or

(3) A contract between the unit's owner and the association; and

(b) The unit's owner receives notice of the alleged violation which informs the unit's owner that he or she has a right to a hearing on the alleged violation.

3. ***The association may not impose or enforce a construction penalty against a unit's owner pursuant to subsection 2 if the failure to adhere to the schedule as required pursuant to subsection 1 is caused by circumstances beyond the control of the unit's owner.***

4. For the purposes of this chapter, a construction penalty is not a fine.

Sec. 6. NRS 116.31031 is hereby amended to read as follows:

116.31031 1. Except as otherwise provided in this section, if a unit's owner or a tenant or an invitee of a unit's owner or a tenant violates any provision of the governing documents of an association, the executive board may, if the governing documents so provide:

(a) Prohibit, for a reasonable time, the unit's owner or the tenant or the invitee of the unit's owner or the tenant from:

(1) Voting on matters related to the common-interest community.

(2) Using the ~~specific~~ common elements. ~~element to which the violation relates, if the violation relates to a common element.~~ The provisions of this subparagraph do not prohibit the ~~executive board from prohibiting a unit's owner from using the common elements if the unit's owner is delinquent in the payment of any assessment and do not prohibit the~~ unit's owner or the tenant or the invitee of the unit's owner or the tenant from using any vehicular or pedestrian ingress or egress to go to or from the unit, including any area used for parking.

(b) Impose a fine against the unit's owner or the tenant or the invitee of the unit's owner or the tenant for each violation, except that:

(1) A fine may not be imposed for a violation that is the subject of a construction penalty pursuant to NRS 116.310305; and

(2) A fine may not be imposed against a unit's owner or a tenant or invitee of a unit's owner or a tenant for a violation of the governing documents which involves a vehicle and which is committed by a person who is delivering goods to, or performing services for, the unit's owner or tenant or invitee of the unit's owner or the tenant.

➡ If the violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community, the amount of the fine must be commensurate with the severity of the violation and must be determined by the executive board in accordance with the governing documents. If the violation does not pose an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community, the amount of the fine must be commensurate with the severity of the violation and must be determined by the executive board in accordance with the governing documents, but the amount of the fine must not exceed \$100 for each violation or a total amount of \$1,000, whichever is less. ~~[During the lifetime of the unit's owner and any successor in interest who is the spouse of the unit's owner, the total amount of fines imposed against the unit's owner and the successor in interest must not exceed \$2,500.]~~ The limitations on the amount of the fine do not apply to any charges or costs that may be collected by the association pursuant to this section if the fine becomes past due.

2. Notwithstanding any other provision of this chapter, the executive board may not impose a fine pursuant to subsection 1 against a unit's owner or a tenant or an invitee of a unit's owner or a tenant if the executive board of another association has imposed a fine against the unit's owner, tenant or invitee for the same action, or failure to act, on the part of the unit's owner, tenant or invitee.

3. The executive board may not impose a fine pursuant to subsection 1 against a unit's owner for a violation of any provision of the governing documents of an association committed by an invitee of the unit's owner or the tenant unless the unit's owner:

- (a) Participated in or authorized the violation;
- (b) Had prior notice of the violation; or
- (c) Had an opportunity to stop the violation and failed to do so.

~~{3.}~~ **4.** The executive board may not impose a fine pursuant to subsection 1 unless:

(a) Not less than 30 days before the **alleged** violation, the unit's owner and, if different, the person against whom the fine will be imposed had been provided with written notice of the applicable provisions of the governing documents that form the basis of the **alleged** violation; and

(b) Within a reasonable time after the discovery of the **alleged** violation, the unit's owner and, if different, the person against whom the fine will be imposed has been provided with:

(1) Written notice specifying the details of the ***alleged*** violation, ***the location of the alleged violation***, the amount of the fine, and the date, time and location for a hearing on the violation; and

(2) A reasonable opportunity to contest the ***alleged*** violation at the hearing.

➔ For the purposes of this subsection, a unit's owner shall not be deemed to have received written notice unless written notice is mailed to the address of the unit and, if different, to a mailing address specified by the unit's owner.

~~{4.}~~ 5. The executive board must schedule the date, time and location for the hearing on the ***alleged*** violation so that the unit's owner and, if different, the person against whom the fine will be imposed is provided with a reasonable opportunity to prepare for the hearing and to be present at the hearing.

~~{5.}~~ ***A hearing may be postponed if the unit's owner or, if different, the person against whom the fine will be imposed presents to the executive board or an officer of the association medical documentation indicating that he or she is unable to participate in the hearing for medical reasons. At the hearing on the alleged violation, the unit's owner and, if different, the person against whom the fine will be imposed may be represented by an attorney or any other representative. Notwithstanding any other provision of this chapter, the cost of an attorney representing the association or executive board at a hearing pursuant to this section may not be charged to the unit's owner or other person against whom the fine will be imposed.***

6. The executive board must hold a hearing before it may impose the fine, unless the fine is paid before the hearing or unless the unit's owner and, if different, the person against whom the fine will be imposed:

- (a) Executes a written waiver of the right to the hearing; or
- (b) Fails to appear at the hearing after being provided with proper notice of the hearing.

~~{6.}~~ 7. If a fine is imposed pursuant to subsection 1 and the violation is not cured within ~~{14.}~~ 21 days, or within any longer period that may be established by the executive board, the violation shall be deemed a continuing violation. Thereafter, the executive board may impose an additional fine for the violation for each 7-day period ~~{or portion thereof}~~ that the violation is not cured. ~~{Any additional fine may be imposed without notice and an opportunity to be heard.}~~

~~{7.}~~ 8. If the governing documents so provide, the executive board may appoint a committee, with not less than three members, to conduct hearings on violations and to impose fines pursuant to this section. While acting on behalf of the executive board for those limited purposes, the committee and its members are entitled to all privileges and immunities and are subject to all duties and requirements of the executive board and its members.

~~{8.}~~ 9. A member of the executive board shall not participate in any hearing or cast any vote relating to a fine imposed pursuant to subsection 1 if

the member has not paid all assessments which are due to the association by the member. If a member of the executive board:

(a) Participates in a hearing in violation of this subsection, any action taken at the hearing is void.

(b) Casts a vote in violation of this subsection, the vote is void.

~~10.1~~ **10.** *If a unit's owner or, if different, a person against whom a fine was imposed pursuant subsection 1 files a claim with the Division pursuant to NRS 38.320 which alleges that the executive board violated a provision of the governing documents in connection with the imposition of the fine, the imposition and collection of the fine is stayed until the conclusion of mediation or, if applicable, the issuance of an arbitration decision. If a unit's owner or, if different, a person against whom a fine was imposed pursuant to subsection 1 files an affidavit with the Division pursuant to NRS 116.760 which alleges that the executive board violated a provision of the governing documents, this chapter in connection with the imposition of the fine, the imposition and collection of the fine is stayed until the resolution of the matter pursuant to subsection 1 of NRS 116.785, the issuance of a decision by the Division to not file a formal complaint pursuant to subsection 5 of NRS 116.765 or the final decision of the Commission, whichever is applicable.*

~~10.1~~ **11.** The provisions of this section establish the minimum procedural requirements that the executive board must follow before it may impose a fine. The provisions of this section do not preempt any provisions of the governing documents that provide greater procedural protections.

~~10.1~~ ~~11.1~~ **12.** Any past due fine must not bear interest, but may include any costs incurred by the association during a civil action to enforce the payment of the past due fine.

~~11.1~~ ~~12.1~~ **13.** If requested by a person upon whom a fine was imposed, not later than 60 days after receiving any payment of a fine, an association shall provide to the person upon whom the fine was imposed a statement of the remaining balance owed.

Sec. 7. NRS 116.310312 is hereby amended to read as follows:

116.310312 1. A person who holds a security interest in a unit must provide the association with the person's contact information as soon as reasonably practicable, but not later than 30 days after the person:

(a) Files an action for recovery of a debt or enforcement of any right secured by the unit pursuant to NRS 40.430; or

(b) Records or has recorded on his or her behalf a notice of a breach of obligation secured by the unit and the election to sell or have the unit sold pursuant to NRS 107.080.

2. If an action or notice described in subsection 1 has been filed or recorded regarding a unit and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may, but is not required to, enter the grounds of the

unit, whether or not the unit is vacant, to take any of the following actions if the unit's owner refuses or fails to take any action or comply with any requirement imposed on the unit's owner within the time specified by the association as a result of the hearing:

(a) Maintain the exterior of the unit in accordance with the standards set forth in the governing documents, including, without limitation, any provisions governing maintenance, standing water or snow removal. ***The authorization to enter the grounds of the unit for the purposes set forth in this paragraph continues until the unit's owner or an agent of the unit's owner performs the maintenance necessary to maintain the exterior of the unit in accordance with the standards set forth in the governing documents.***

(b) Remove or abate a public nuisance on the exterior of the unit which:

(1) Is visible from any common area of the community or public streets;

(2) Threatens the health or safety of the residents of the common-interest community;

(3) Results in blighting or deterioration of the unit or surrounding area; and

(4) Adversely affects the use and enjoyment of nearby units.

3. If a unit is vacant and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may enter the grounds of the unit to maintain the exterior of the unit or abate a public nuisance as described in subsection 2 if the unit's owner refuses or fails to do so.

4. The association may order that the costs of any maintenance or abatement conducted pursuant to subsection 2 or 3, including, without limitation, reasonable inspection fees, notification and collection costs and interest, be charged against the unit. The association shall keep a record of such costs and interest charged against the unit and has a lien on the unit for any unpaid amount of the charges. The lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

5. A lien described in subsection 4 bears interest from the date that the charges become due at a rate determined pursuant to NRS 17.130 until the charges, including all interest due, are paid.

6. Except as otherwise provided in this subsection, a lien described in subsection 4 is prior and superior to all liens, claims, encumbrances and titles other than the liens described in paragraphs (a) and (c) of subsection 2 of NRS 116.3116. If the federal regulations of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien, the period during which the lien is prior and superior to other security interests shall be determined in accordance with those federal regulations. Notwithstanding the federal regulations, the period of priority of the lien must not be less than the 6 months immediately preceding the institution of an action to enforce the lien.

7. A person who purchases or acquires a unit at a foreclosure sale pursuant to NRS 40.430 or a trustee's sale pursuant to NRS 107.080 is bound by the governing documents of the association and shall maintain the exterior of the unit in accordance with the governing documents of the association. Such a unit may only be removed from a common-interest community in accordance with the governing documents pursuant to this chapter.

8. Notwithstanding any other provision of law, an association, its directors or members of the executive board, employees, agents or community manager who enter the grounds of a unit pursuant to this section are not liable for trespass.

9. As used in this section:

(a) "Exterior of the unit" includes, without limitation, all landscaping outside of a unit and the exterior of all property exclusively owned by the unit owner.

(b) "Vacant" means a unit:

(1) Which reasonably appears to be unoccupied;

(2) On which the owner has failed to maintain the exterior to the standards set forth in the governing documents the association; and

(3) On which the owner has failed to pay assessments for more than 60 days.

Sec. 8. ~~NRS 116.310313 is hereby amended to read as follows:~~

~~116.310313 1. [An] If the governing documents authorize an association [may] to charge a unit's owner [reasonable fees to cover] for the costs of collecting any past due obligation [.~~ The Commission shall adopt regulations establishing the amount of the fees that an association may charge pursuant to this section.]~~, the governing documents may not authorize the association to charge the unit's owner for any costs of collecting other than costs relating to filing, recording, title searches, bankruptcy searches and postage. The rate established by the association for the costs of collecting the past due obligation:~~

~~(a) May not exceed \$40, if the outstanding balance is less than \$200.~~

~~(b) May not exceed \$75, if the outstanding balance is \$200 or more but is less than \$500.~~

~~(c) May not exceed \$125, if the outstanding balance is \$500 or more but is less than \$1,000.~~

~~(d) May not exceed \$175, if the outstanding balance is \$1,000 or more but is less than \$5,000.~~

~~(e) May not exceed \$200, if the outstanding balance is \$5,000 or more.~~

~~2. The provisions of this section apply to any costs of collecting a past due obligation charged to a unit's owner, regardless of whether the past due obligation is collected by the association itself or by any person acting on behalf of the association, including, without limitation, an officer or employee of the association, a community manager or a collection agency.~~

~~3. As used in this section:~~

~~(a) "Costs of collecting" includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a lien or lien rescission, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association charges a unit's owner for the investigation, enforcement or collection of a past due obligation. The term does not include any costs incurred by an association if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.~~

~~(b) "Obligation" means any assessment, fine, construction penalty, fee, charge or interest levied or imposed against a unit's owner pursuant to any provision of this chapter or the governing documents.] (Deleted by amendment.)~~

Sec. 9. NRS 116.31034 is hereby amended to read as follows:

116.31034 1. Except as otherwise provided in subsection 5 of NRS 116.212, not later than the termination of any period of declarant's control, the units' owners shall elect an executive board of at least three members, all of whom must be units' owners. The executive board shall elect the officers of the association. Unless the governing documents provide otherwise, the officers of the association are ~~not~~ required to be units' owners. The members of the executive board and the officers of the association shall take office upon election. ~~If two persons reside together in a unit, are married to each other or are related by blood, adoption or marriage, within the first degree of consanguinity or affinity, and if one of those persons is an officer of the association or a member of the executive board, the other person may not be an officer of the association or a member of the executive board.]~~

2. The term of office of a member of the executive board may not exceed 3 years, except for members who are appointed by the declarant. Unless the governing documents provide otherwise, there is no limitation on the number of terms that a person may serve as a member of the executive board.

3. The governing documents of the association must provide for terms of office that are staggered in such a manner that, to the extent possible, an equal number of members of the executive board are elected at each election. The provisions of this subsection do not apply to:

(a) Members of the executive board who are appointed by the declarant; and

(b) Members of the executive board who serve a term of 1 year or less.

4. Not less than 30 days before the preparation of a ballot for the election of members of the executive board, the secretary or other officer specified in the bylaws of the association shall cause notice to be given to each unit's owner of the unit's owner's eligibility to serve as a member of the executive board. Each unit's owner who is qualified to serve as a member of the executive board may have his or her name placed on the ballot along with the

names of the nominees selected by the members of the executive board or a nominating committee established by the association.

5. Before the secretary or other officer specified in the bylaws of the association causes notice to be given to each unit's owner of his or her eligibility to serve as a member of the executive board pursuant to subsection 4, the executive board may determine that if, at the closing of the prescribed period for nominations for membership on the executive board, the number of candidates nominated for membership on the executive board is equal to or less than the number of members to be elected to the executive board at the election, then the secretary or other officer specified in the bylaws of the association will cause notice to be given to each unit's owner informing each unit's owner that:

(a) The association will not prepare or mail any ballots to units' owners pursuant to this section and the nominated candidates shall be deemed to be duly elected to the executive board unless:

(1) A unit's owner who is qualified to serve on the executive board nominates himself or herself for membership on the executive board by submitting a nomination to the executive board within 30 days after the notice provided by this subsection; and

(2) The number of units' owners who submit such a nomination causes the number of candidates nominated for membership on the executive board to be greater than the number of members to be elected to the executive board.

(b) Each unit's owner who is qualified to serve as a member of the executive board may nominate himself or herself for membership on the executive board by submitting a nomination to the executive board within 30 days after the notice provided by this subsection.

6. If the notice described in subsection 5 is given and if, at the closing of the prescribed period for nominations for membership on the executive board described in subsection 5, the number of candidates nominated for membership on the executive board is equal to or less than the number of members to be elected to the executive board, then:

(a) The association will not prepare or mail any ballots to units' owners pursuant to this section;

(b) The nominated candidates shall be deemed to be duly elected to the executive board not later than 30 days after the date of the closing of the period for nominations described in subsection 5; and

(c) The association shall send to each unit's owner notification that the candidates nominated have been elected to the executive board.

7. If the notice described in subsection 5 is given and if, at the closing of the prescribed period for nominations for membership on the executive board described in subsection 5, the number of candidates nominated for membership on the executive board is greater than the number of members to be elected to the executive board, then the association shall:

(a) Prepare and mail ballots to the units' owners pursuant to this section; and

(b) Conduct an election for membership on the executive board pursuant to this section.

8. Each person who is nominated as a candidate for a member of the executive board pursuant to subsection 4 or 5 must:

(a) Make a good faith effort to disclose any financial, business, professional or personal relationship or interest that would result or would appear to a reasonable person to result in a potential conflict of interest for the candidate if the candidate were to be elected to serve as a member of the executive board; and

(b) Disclose whether the candidate is a member in good standing. For the purposes of this paragraph, a candidate shall not be deemed to be in "good standing" if the candidate has any unpaid and past due assessments or construction penalties that are required to be paid to the association.

➡ The candidate must make all disclosures required pursuant to this subsection in writing to the association with his or her candidacy information. Except as otherwise provided in this subsection, the association shall distribute the disclosures, on behalf of the candidate, to each member of the association with the ballot or, in the event ballots are not prepared and mailed pursuant to subsection 6, in the next regular mailing of the association. The association is not obligated to distribute any disclosure pursuant to this subsection if the disclosure contains information that is believed to be defamatory, libelous or profane.

9. Unless a person is appointed by the declarant:

(a) A person may not be a member of the executive board or an officer of the association if the person, the person's spouse or the person's parent or child, by blood, marriage or adoption, performs the duties of a community manager for that association.

(b) A person may not be a member of the executive board of a master association or an officer of that master association if the person, the person's spouse or the person's parent or child, by blood, marriage or adoption, performs the duties of a community manager for:

(1) That master association; or

(2) Any association that is subject to the governing documents of that master association.

10. An officer, employee, agent or director of a corporate owner of a unit, a trustee or designated beneficiary of a trust that owns a unit, a partner of a partnership that owns a unit, a member or manager of a limited-liability company that owns a unit, and a fiduciary of an estate that owns a unit may be an officer of the association or a member of the executive board. In all events where the person serving or offering to serve as an officer of the association or a member of the executive board is not the record owner, the person shall file proof in the records of the association that:

(a) The person is associated with the corporate owner, trust, partnership, limited-liability company or estate as required by this subsection; and

(b) Identifies the unit or units owned by the corporate owner, trust, partnership, limited-liability company or estate.

11. Except as otherwise provided in subsection 6 or NRS 116.31105, the election of any member of the executive board must be conducted by secret written ballot in the following manner:

(a) The secretary or other officer specified in the bylaws of the association shall cause a secret ballot and a return envelope to be sent, prepaid by United States mail, to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner.

(b) Each unit's owner must be provided with at least 15 days after the date the secret written ballot is mailed to the unit's owner to return the secret written ballot to the association.

(c) A quorum is not required for the election of any member of the executive board.

(d) Only the secret written ballots that are returned to the association may be counted to determine the outcome of the election.

(e) The secret written ballots must be opened and counted at a meeting of the association. A quorum is not required to be present when the secret written ballots are opened and counted at the meeting.

(f) The incumbent members of the executive board and each person whose name is placed on the ballot as a candidate for a member of the executive board may not possess, be given access to or participate in the opening or counting of the secret written ballots that are returned to the association before those secret written ballots have been opened and counted at a meeting of the association.

12. An association shall not adopt any rule or regulation that has the effect of prohibiting or unreasonably interfering with a candidate in the candidate's campaign for election as a member of the executive board, except that the candidate's campaign may be limited to 90 days before the date that ballots are required to be returned to the association. A candidate may request that the secretary or other officer specified in the bylaws of the association send, 30 days before the date of the election and at the association's expense, to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner a candidate informational statement. The candidate informational statement:

(a) Must be no longer than a single, typed page;

(b) Must not contain any defamatory, libelous or profane information; and

(c) May be sent with the secret ballot mailed pursuant to subsection 11 or in a separate mailing.

➡ The association and its directors, officers, employees and agents are immune from criminal or civil liability for any act or omission which arises

out of the publication or disclosure of any information related to any person and which occurs in the course of carrying out any duties required pursuant to this subsection.

13. Each member of the executive board shall, within 90 days after his or her appointment or election, certify in writing to the association, on a form prescribed by the Administrator, that the member has read and understands the governing documents of the association and the provisions of this chapter to the best of his or her ability. The Administrator may ~~shall~~ require the association to submit a copy of the certification of each member of the executive board of that association at the time the association registers with the Ombudsman pursuant to NRS 116.31158.

14. *Within 3 months after his or her election or appointment to the executive board, a member of the executive board shall ~~successfully~~ complete 2 hours of instruction in a course of education relating to the duties of a member of the executive board. Every year thereafter during which the member of the executive board is a member of the executive board, he or she shall complete 2 hours of instruction in such a course of education.*

Sec. 10. NRS 116.31038 is hereby amended to read as follows:

116.31038 In addition to any applicable requirement set forth in NRS 116.310395, within 30 days after units' owners other than the declarant may elect a majority of the members of the executive board, the declarant shall deliver to the association all property of the units' owners and of the association held by or controlled by the declarant, including:

1. The original or a certified copy of the recorded declaration as amended, the articles of incorporation, articles of association, articles of organization, certificate of registration, certificate of limited partnership, certificate of trust or other documents of organization for the association, the bylaws, minute books and other books and records of the association and any rules or regulations which may have been adopted.

2. An accounting for money of the association and audited financial statements for each fiscal year and any ancillary period from the date of the last audit of the association to the date the period of the declarant's control ends. The financial statements must fairly and accurately report the association's financial position. The declarant shall pay the costs of the ancillary audit. The ancillary audit must be delivered within 210 days after the date the period of the declarant's control ends.

3. A complete study of the reserves of the association, conducted by a person who is registered as a reserve study specialist pursuant to chapter 116A of NRS. At the time the control of the declarant ends, the declarant shall:

(a) Except as otherwise provided in this paragraph, deliver to the association a reserve account that contains the declarant's share of the amounts then due, and control of the account. If the declaration was recorded before October 1, 1999, and, at the time the control of the declarant ends, the

declarant has failed to pay his or her share of the amounts due, the executive board shall authorize the declarant to pay the deficiency in installments for a period of 3 years, unless the declarant and the executive board agree to a shorter period.

(b) Disclose, in writing, **to the units' owners** the amount by which the declarant has subsidized the association's dues on a per unit or per lot basis.

4. The association's money or control thereof.

5. All of the declarant's tangible personal property that has been represented by the declarant as property of the association or, unless the declarant has disclosed in the public offering statement that all such personal property used in the common-interest community will remain the declarant's property, all of the declarant's tangible personal property that is necessary for, and has been used exclusively in, the operation and enjoyment of the common elements, and inventories of these properties.

6. A copy of any plans and specifications used in the construction of the improvements in the common-interest community which were completed within 2 years before the declaration was recorded.

7. All insurance policies then in force, in which the units' owners, the association, or its directors and officers are named as insured persons.

8. Copies of any certificates of occupancy that may have been issued with respect to any improvements comprising the common-interest community other than units in a planned community.

9. Any renewable permits and approvals issued by governmental bodies applicable to the common-interest community which are in force and any other permits and approvals so issued and applicable which are required by law to be kept on the premises of the community.

10. Written warranties of the contractor, subcontractors, suppliers and manufacturers that are still effective.

11. A roster of owners and mortgagees of units and their addresses and telephone numbers, if known, as shown on the declarant's records.

12. Contracts of employment in which the association is a contracting party.

13. Any contract for service in which the association is a contracting party or in which the association or the units' owners have any obligation to pay a fee to the persons performing the services.

Sec. 11. NRS 116.3108 is hereby amended to read as follows:

116.3108 1. A meeting of the units' owners must be held at least once each year. If the governing documents do not designate an annual meeting date of the units' owners, a meeting of the units' owners must be held 1 year after the date of the last meeting of the units' owners. If the units' owners have not held a meeting for 1 year, a meeting of the units' owners must be held on the following March 1.

2. Special meetings of the units' owners may be called by the president, by a majority of the executive board or by units' owners constituting at least 10 percent, or any lower percentage specified in the bylaws, of the total

number of voting members of the association. The same number of units' owners may also call a removal election pursuant to NRS 116.31036. To call a special meeting or a removal election, the units' owners must submit a written petition which is signed by the required percentage of the total number of voting members of the association pursuant to this subsection and which is mailed, return receipt requested, or served by a process server to the executive board or the community manager for the association. If the petition calls for a special meeting, the executive board shall set the date for the special meeting so that the special meeting is held not less than 15 days or more than 60 days after the date on which the petition is received. If the petition calls for a removal election and:

(a) The voting rights of the owners of time shares will be exercised by delegates or representatives as set forth in NRS 116.31105, the executive board shall set the date for the removal election so that the removal election is held not less than 15 days or more than 60 days after the date on which the petition is received; or

(b) The voting rights of the units' owners will be exercised through the use of secret written ballots pursuant to NRS 116.31036, the secret written ballots for the removal election must be sent in the manner required by NRS 116.31036 not less than 15 days or more than 60 days after the date on which the petition is received, and the executive board shall set the date for the meeting to open and count the secret written ballots so that the meeting is held not more than 15 days after the deadline for returning the secret written ballots.

↪ The association shall not adopt any rule or regulation which prevents or unreasonably interferes with the collection of the required percentage of signatures for a petition pursuant to this subsection.

3. Not less than 15 days or more than 60 days in advance of any meeting of the units' owners, the secretary or other officer specified in the bylaws shall cause notice of the meeting to be hand-delivered, sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner or, if the association offers to send notice by electronic mail, sent by electronic mail at the request of the unit's owner to an electronic mail address designated in writing by the unit's owner. The notice of the meeting must state the time and place of the meeting and include a copy of the agenda for the meeting. The notice must include notification of the right of a unit's owner to:

(a) Have a copy of the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

(b) Speak to the association or executive board, unless the executive board is meeting in executive session.

4. The agenda for a meeting of the units' owners must consist of:

(a) A clear and complete statement of the topics scheduled to be considered during the meeting, including, without limitation, any proposed amendment to the declaration or bylaws, any fees or assessments to be imposed or increased by the association, any budgetary changes and any proposal to remove an officer of the association or member of the executive board.

(b) A list describing the items on which action may be taken and clearly denoting that action may be taken on those items. In an emergency, the units' owners may take action on an item which is not listed on the agenda as an item on which action may be taken.

(c) A period devoted to comments by units' owners and discussion of those comments. Except in emergencies, no action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to paragraph (b).

~~5. *Before the agenda is mailed to the units' owners pursuant to subsection 3, a unit's owner may request items to be placed on the agenda and any requested items must be included on the agenda.*~~

~~6.~~ If the association adopts a policy imposing fines for any violations of the governing documents of the association, the secretary or other officer specified in the bylaws shall prepare and cause to be hand-delivered or sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner, a schedule of the fines that may be imposed for those violations.

~~6.~~ ***A guest of a unit's owner must be allowed to attend any meeting of the units' owners.***

~~7.~~ ***7.*** The secretary or other officer specified in the bylaws shall cause minutes to be recorded or otherwise taken at each meeting of the units' owners. Not more than 30 days after each such meeting, the secretary or other officer specified in the bylaws shall cause the minutes or a summary of the minutes of the meeting to be made available to the units' owners. Except as otherwise provided in this subsection, a copy of the minutes or a summary of the minutes must be provided to any unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

~~7.~~ ~~9.~~ ***8.*** Except as otherwise provided in subsection ~~8.~~ ~~10.~~ ***9*** the minutes of each meeting of the units' owners must include:

- (a) The date, time and place of the meeting;
- (b) The substance of all matters proposed, discussed or decided at the meeting; and
- (c) The substance of remarks made by any unit's owner at the meeting if the unit's owner requests that the minutes reflect his or her remarks or, if the

unit's owner has prepared written remarks, a copy of his or her prepared remarks if the unit's owner submits a copy for inclusion.

~~{8.}~~ ~~{10.}~~ 9. The executive board may establish reasonable limitations on materials, remarks or other information to be included in the minutes of a meeting of the units' owners.

~~{9.}~~ ~~{11.}~~ 10. The association shall maintain the minutes of each meeting of the units' owners until the common-interest community is terminated.

~~{10.}~~ ~~{12.}~~ 11. A unit's owner may record on audiotape ~~{, videotape}~~ or any other means of sound ~~{or video}~~ reproduction a meeting of the units' owners if the unit's owner, before recording the meeting, provides notice of his or her intent to record the meeting to the other units' owners who are in attendance at the meeting.

~~{11.}~~ ~~{13.}~~ 12. The units' owners may approve, at the annual meeting of the units' owners, the minutes of the prior annual meeting of the units' owners and the minutes of any prior special meetings of the units' owners. A quorum is not required to be present when the units' owners approve the minutes.

~~{12.}~~ ~~{14.}~~ 13. As used in this section, "emergency" means any occurrence or combination of occurrences that:

- (a) Could not have been reasonably foreseen;
- (b) Affects the health, welfare and safety of the units' owners or residents of the common-interest community;
- (c) Requires the immediate attention of, and possible action by, the executive board; and
- (d) Makes it impracticable to comply with the provisions of subsection 3 or 4.

Sec. 12. NRS 116.31083 is hereby amended to read as follows:

116.31083 1. A meeting of the executive board must be held at least once every quarter, and not less than once every 100 days and must be held at a time other than during standard business hours ~~{, but not before 6 p.m.,}~~ at least twice annually.

2. Except in an emergency or unless the bylaws of an association require a longer period of notice, the secretary or other officer specified in the bylaws of the association shall, not less than 10 days before the date of a meeting of the executive board, cause notice of the meeting to be given to the units' owners. Such notice must be:

(a) Sent prepaid by United States mail to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner;

(b) If the association offers to send notice by electronic mail, sent by electronic mail at the request of the unit's owner to an electronic mail address designated in writing by the unit's owner; or

(c) Published in a newsletter or other similar publication that is circulated to each unit's owner.

3. In an emergency, the secretary or other officer specified in the bylaws of the association shall, if practicable, cause notice of the meeting to be sent prepaid by United States mail to the mailing address of each unit within the common-interest community. If delivery of the notice in this manner is impracticable, the notice must be hand-delivered to each unit within the common-interest community or posted in a prominent place or places within the common elements of the association.

4. The notice of a meeting of the executive board must state the time and place of the meeting and include a copy of the agenda for the meeting or the date, ***which must not be later than 5 days before the meeting***, on which and the locations where copies of the agenda may be conveniently obtained by the units' owners. The notice must include notification of the right of a unit's owner to:

(a) Have a copy of the audio recording, the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

(b) Speak to the association or executive board, unless the executive board is meeting in executive session.

5. The agenda of the meeting of the executive board must comply with the provisions of subsection 4 of NRS 116.3108. A period required to be devoted to comments by the units' owners and discussion of those comments must be scheduled for both the beginning and the end of each meeting. During the period devoted to comments by the units' owners and discussion of those comments at the beginning of each meeting, comments by the units' owners and discussion of those comments must be limited to items listed on the agenda. In an emergency, the executive board may take action on an item which is not listed on the agenda as an item on which action may be taken.

6. At least once every quarter, and not less than once every 100 days, unless the declaration or bylaws of the association impose more stringent standards, the executive board shall review, at a minimum, the following financial information at one of its meetings:

- (a) A current year-to-date financial statement of the association;
- (b) A current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget for those accounts;
- (c) A current reconciliation of the operating account of the association;
- (d) A current reconciliation of the reserve account of the association;
- (e) The latest account statements prepared by the financial institutions in which the accounts of the association are maintained; and
- (f) The current status of any civil action or claim submitted to arbitration or mediation in which the association is a party.

↪ ~~[A]~~ **If a copy of the information described in paragraphs (a) to (f), inclusive, exists in electronic format, the information must be made available]** provided to a unit's owner, upon his or her request, by electronic mail and at no charge . ~~[to each person present at the meeting. If a unit's owner requests a copy of such information, the association must provide a copy of the information in electronic format at no charge to the unit's owner.]~~

7. The secretary or other officer specified in the bylaws shall cause each meeting of the executive board to be audio recorded and the minutes to be recorded or otherwise taken at each meeting of the executive board, but if the executive board is meeting in executive session, the meeting must not be audio recorded. Not more than 30 days after each such meeting, the secretary or other officer specified in the bylaws shall cause the audio recording of the meeting, the minutes of the meeting and a summary of the minutes of the meeting to be made available to the units' owners. Except as otherwise provided in this subsection, a copy of the audio recording, the minutes or a summary of the minutes must be provided to any unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

8. Except as otherwise provided in subsection 9 and NRS 116.31085, the minutes of each meeting of the executive board must include:

- (a) The date, time and place of the meeting;
- (b) Those members of the executive board who were present and those members who were absent at the meeting;
- (c) The ~~[substance]~~ **details** of all matters proposed, discussed or decided at the meeting;
- (d) A record of each member's vote on any matter decided by vote at the meeting; and
- (e) The substance of remarks made by any unit's owner who addresses the executive board at the meeting if the unit's owner requests that the minutes reflect his or her remarks or, if the unit's owner has prepared written remarks, a copy of his or her prepared remarks if the unit's owner submits a copy for inclusion.

9. The executive board may establish reasonable limitations on materials, remarks or other information to be included in the minutes of its meetings ~~[]~~ **, but any limitation on the page number of such materials, remarks or information must not be less than two double-sided pages.**

10. The association shall maintain the minutes of each meeting of the executive board until the common-interest community is terminated.

11. A unit's owner may record on audiotape or any other means of sound reproduction a meeting of the executive board, unless the executive board is meeting in executive session, if the unit's owner, before recording the meeting, provides notice of his or her intent to record the meeting to the

members of the executive board and the other units' owners who are in attendance at the meeting.

12. As used in this section, "emergency" means any occurrence or combination of occurrences that:

- (a) Could not have been reasonably foreseen;
- (b) Affects the health, welfare and safety of the units' owners or residents of the common-interest community;
- (c) Requires the immediate attention of, and possible action by, the executive board; and
- (d) Makes it impracticable to comply with the provisions of subsection 2 or 5.

Sec. 13. NRS 116.31085 is hereby amended to read as follows:

116.31085 1. Except as otherwise provided in this section, a unit's owner may attend any meeting of the units' owners or of the executive board and speak at any such meeting. The executive board may establish reasonable limitations ~~[a limitation of not less than 3 minutes]~~ on the time ~~[in which]~~ a unit's owner may speak at such a meeting. ~~[With respect to each meeting of the units' owners and of the executive board, the association shall comply with the requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., and the regulations adopted pursuant thereto.]~~

2. ~~[At a meeting of the executive board, after a discussion by the members of the executive board concerning an item for which a vote will be taken by the executive board and before such a vote, the executive board must provide a period devoted to comments by the units' owners on that item, but may establish a limitation of not less than 3 minutes on the time a unit's owner may speak on that item.]~~

~~3.~~ An executive board may not meet in executive session to open or consider bids for an association project as defined in NRS 116.31086, or to enter into, renew, modify, terminate or take any other action regarding a contract.

3. ~~[4.]~~ An executive board may meet in executive session only to:

(a) Consult with the attorney for the association on matters relating to proposed or pending litigation if the contents of the discussion would otherwise be governed by the privilege set forth in NRS 49.035 to 49.115, inclusive.

(b) Discuss the character, alleged misconduct, professional competence, or physical or mental health of a community manager or an employee of the association.

(c) Except as otherwise provided in subsection 4, ~~[5.]~~ discuss a violation of the governing documents, including, without limitation, the failure to pay an assessment.

(d) Discuss the alleged failure of a unit's owner to adhere to a schedule required pursuant to NRS 116.310305 if the alleged failure may subject the unit's owner to a construction penalty.

4. ~~5.~~ An executive board shall meet in executive session to hold a hearing on an alleged violation of the governing documents unless the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted by the executive board. If the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted, the person:

(a) Is entitled to attend all portions of the hearing related to the alleged violation, including, without limitation, the presentation of evidence and the testimony of witnesses;

(b) Is entitled to due process, as set forth in the standards adopted by regulation by the Commission, which must include, without limitation, the right to counsel ~~1.~~ **or any other representative chosen by the person**, the right to present witnesses and the right to present information relating to any conflict of interest of any member of the hearing panel; and

(c) Is not entitled to attend the deliberations of the executive board.

5. ~~6.~~ The provisions of subsection 4. ~~5.~~ establish the minimum protections that the executive board must provide before it may make a decision. The provisions of subsection 4. ~~5.~~ do not preempt any provisions of the governing documents that provide greater protections.

6. ~~7.~~ Except as otherwise provided in this subsection, any matter discussed by the executive board when it meets in executive session must be generally noted in the minutes of the meeting of the executive board. The executive board shall maintain minutes of any decision made pursuant to subsection 4. ~~5.~~ concerning an alleged violation and, upon request, provide a copy of the decision to the person who was subject to being sanctioned at the hearing or to the person's designated representative.

7. ~~8.~~ Except as otherwise provided in subsection 4. ~~5.~~ a unit's owner is not entitled to attend or speak at a meeting of the executive board held in executive session.

Sec. 14. NRS 116.31086 is hereby amended to read as follows:

116.31086 1. If an association solicits bids for an association project, the bids must be opened during a meeting of the executive board.

2. As used in this section, "association project" includes, without limitation, a project that involves the maintenance, repair, replacement or restoration of any part of the common elements or which involves the provision of **durable goods or** services to the association.

Sec. 15. NRS 116.31087 is hereby amended to read as follows:

116.31087 1. If an executive board receives a written complaint from a unit's owner alleging that the executive board has violated any provision of this chapter or any provision of the governing documents of the association, the executive board shall, upon the written request of the unit's owner, place the subject of the complaint on the agenda of the next regularly scheduled meeting of the executive board.

2. Not later than 10 business days after the date that the association receives such a complaint, the executive board or an authorized

representative of the association shall acknowledge the receipt of the complaint and notify the unit's owner that, if the unit's owner submits a written request that the subject of the complaint be placed on the agenda of the next regularly scheduled meeting of the executive board, the subject of the complaint will be placed on the agenda of the next regularly scheduled meeting of the executive board.

3. At the meeting, the executive board shall discuss fully and attempt to resolve any complaint placed on the agenda of the meeting pursuant to this section. Any decision of the executive board with respect to the complaint must be included in detail in the minutes of the meeting.

Sec. 16. ~~[NRS 116.31107 is hereby amended to read as follows:~~

~~116.31107 1. A person shall not knowingly, willfully and with the intent to fraudulently alter the true outcome of an election of a member of the executive board or any other vote of the units' owners engage in, attempt to engage in, or conspire with another person to engage in, any of the following acts:~~

~~(a) Changing or falsifying a voter's ballot so that the ballot does not reflect the voter's true ballot.~~

~~(b) Forging or falsely signing a voter's ballot.~~

~~(c) Fraudulently casting a vote for himself or herself or for another person that the person is not authorized to cast.~~

~~(d) Rejecting, failing to count, destroying, defacing or otherwise invalidating the valid ballot of another voter.~~

~~(e) Submitting a counterfeit ballot.~~

~~2. A person who violates [this section] subsection 1 is guilty of a category D felony and shall be punished as provided in NRS 193.130.~~

~~3. Each ballot provided to the units' owners pursuant to this chapter must contain in clear and prominent text a copy of the provisions of this section.] (Deleted by amendment.)~~

Sec. 17. ~~[NRS 116.3114 is hereby amended to read as follows:~~

~~116.3114 1. Unless otherwise provided in the declaration, any surplus funds of the association remaining after payment of or provision for common expenses and any prepayment of reserves must be paid to the units' owners in proportion to their liabilities for common expenses or credited to them to reduce their future assessments for common expenses.~~

~~2. For the purpose of this section:~~

~~(a) An association of a common interest community with 200 or less units has "surplus funds" if the amount remaining after payment of or provision for the common expenses and any prepayment of reserves is greater than three times the monthly operating expenses of the association based on the periodic budget adopted by the association pursuant to NRS 116.3115.~~

~~(b) An association of a common interest community with more than 200 units has "surplus funds" if the amount remaining after payment of or provision for the common expenses and any prepayment of reserves is~~

~~greater than two times the monthly operating expenses of the association based on the periodic budget adopted by the association pursuant to NRS 116.3115.~~ **(Deleted by amendment.)**

Sec. 18. NRS 116.31144 is hereby amended to read as follows:

116.31144 1. Except as otherwise provided in subsection 2, the executive board shall:

(a) If the annual budget of the association is less than \$75,000, cause the financial statement of the association to be reviewed by an independent certified public accountant during the year immediately preceding the year in which a study of the reserves of the association is to be conducted pursuant to NRS 116.31152.

(b) If the annual budget of the association is \$75,000 or more but less than \$150,000, cause the financial statement of the association to be reviewed by an independent certified public accountant every fiscal year.

(c) If the annual budget of the association is \$150,000 or more, cause the financial statement of the association to be audited by an independent certified public accountant every fiscal year.

2. For any fiscal year, the executive board of an association to which paragraph (a) or (b) of subsection 1 applies shall cause the financial statement for that fiscal year to be audited by an independent certified public accountant if, within 180 days before the end of the fiscal year, 15 percent of the total number of voting members of the association submit a written request for such an audit.

3. The Commission shall adopt regulations prescribing the requirements for the auditing or reviewing of financial statements of an association pursuant to this section. Such regulations must include, without limitation:

(a) The qualifications necessary for a person to audit or review financial statements of an association; and

(b) The standards and format to be followed in auditing or reviewing financial statements of an association.

4. *If a unit's owner requests a copy of a review or audit performed pursuant to this section, the association must provide a copy of the review or audit to the unit's owner in paper format or electronic format, whichever is requested by the unit's owner, at [no charge].*

(a) A cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter, if provided in paper format.

(b) No charge, if provided in electronic format.

Sec. 19. ~~NRS 116.3115 is hereby amended to read as follows:~~

~~116.3115 1. Until the association makes an assessment for common expenses, the declarant shall pay all common expenses. After an assessment has been made by the association, assessments must be made at least annually, based on a budget adopted [at least annually] by the association and ratified by the units' owners at least annually in accordance with the requirements set forth in NRS 116.31151. Unless the declaration imposes more stringent standards, the budget must include a budget for the daily~~

~~operation of the association and a budget for the reserves required by paragraph (b) of subsection 2.~~

~~2. Except for assessments under subsections 4 to 7, inclusive:~~

~~(a) All common expenses, including the reserves, must be assessed against all the units in accordance with the allocations set forth in the declaration pursuant to subsections 1 and 2 of NRS 116.2107.~~

~~(b) The association shall establish adequate reserves, funded on a reasonable basis, for the repair, replacement and restoration of the major components of the common elements and any other portion of the common interest community that the association is obligated to maintain, repair, replace or restore. The reserves may be used only for those purposes, including, without limitation, repairing, replacing and restoring roofs, roads and sidewalks, and must not be used for daily maintenance [.] or capital improvements. The association may comply with the provisions of this paragraph through a funding plan that is designed to allocate the costs for the repair, replacement and restoration of the major components of the common elements and any other portion of the common interest community that the association is obligated to maintain, repair, replace or restore over a period of years if the funding plan is designed in an actuarially sound manner which will ensure that sufficient money is available when the repair, replacement and restoration of the major components of the common elements or any other portion of the common interest community that the association is obligated to maintain, repair, replace or restore are necessary. Notwithstanding any provision of this chapter or the governing documents to the contrary, a special assessment to establish adequate reserves pursuant to this paragraph, including, without limitation, to establish or carry out a funding plan [], the executive board may, without seeking or obtaining the approval of the units' owners, impose any necessary and reasonable assessments against the units in the common interest community. Any such assessments imposed by the executive board must be based on the study of the reserves of the association conducted pursuant to NRS 116.31152.] may not exceed \$35 per unit per month.~~

~~3. Any assessment for common expenses or installment thereof that is 60 days or more past due bears interest at a rate equal to the prime rate at the largest bank in Nevada as ascertained by the Commissioner of Financial Institutions on January 1 or July 1, as the case may be, immediately preceding the date the assessment becomes past due, plus 2 percent. The rate must be adjusted accordingly on each January 1 and July 1 thereafter until the balance is satisfied.~~

~~4. Except as otherwise provided in the governing documents:~~

~~(a) Any common expense associated with the maintenance, repair, restoration or replacement of a limited common element must be assessed against the units to which that limited common element is assigned, equally, or in any other proportion the declaration provides;~~

~~(b) Any common expense or portion thereof benefiting fewer than all of the units must be assessed exclusively against the units benefited; and~~

~~(c) The costs of insurance must be assessed in proportion to risk and the costs of utilities must be assessed in proportion to usage.~~

~~5. Assessments to pay a judgment against the association may be made only against the units in the common interest community at the time the judgment was entered, in proportion to their liabilities for common expenses.~~

~~6. If any common expense is caused by the misconduct of any unit's owner, the association may assess that expense exclusively against his or her unit.~~

~~7. The association of a common interest community created before January 1, 1992, is not required to make an assessment against a vacant lot located within the community that is owned by the declarant.~~

~~8. If liabilities for common expenses are reallocated, assessments for common expenses and any installment thereof not yet due must be recalculated in accordance with the reallocated liabilities.~~

~~9. The association shall provide written notice to each unit's owner of a meeting at which an assessment or expenditure for a capital improvement in an amount of \$500 or more is to be considered or action is to be taken on such an assessment or expenditure at least 21 calendar days before the date of the meeting. An assessment for a capital improvement may not exceed \$35 per unit per month.~~

~~10. In a common interest community with less than 500 units, the association shall not make or cause to made any visible changes to the interior or exterior of the common elements, including, without limitation, landscaping, unless:~~

~~(a) At least 21 calendar days before a meeting of the units' owners to consider and take action on the changes, the association provides written notice to each unit's owner of the meeting; and~~

~~(b) At the meeting, a majority of the units' owners approve the changes by secret written ballot.~~

~~11. In a common interest community:~~

~~(a) With less than 150 units, the association shall not make an expenditure for a capital improvement of \$7,500 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.~~

~~(b) With at least 150 but less than 250 units, the association shall not make an expenditure for a capital improvement of \$15,000 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.~~

~~(c) With at least 250 but less than 500 units, the association shall not make an expenditure for a capital improvement of \$25,000 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.~~

~~(d) With 500 or more units, the association shall not make an expenditure for a capital improvement of \$35,000 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.~~

~~12. As used in this section, "capital improvement" means an expenditure by the association for the construction of a new common element, an addition or improvement to an existing common element or the installation of landscaping where no landscaping previously existed.]~~
(Deleted by amendment.)

Sec. 20. NRS 116.31151 is hereby amended to read as follows:

116.31151 1. Except as otherwise provided in subsection 2 and unless the declaration of a common-interest community imposes more stringent standards, the executive board shall, not less than 30 days or more than 60 days before the beginning of the fiscal year of the association, prepare and distribute to each unit's owner a copy of:

(a) The budget for the daily operation of the association. The budget must include, without limitation, the estimated annual revenue and expenditures of the association and any contributions to be made to the reserve account of the association.

(b) The budget to provide adequate funding for the reserves required by paragraph (b) of subsection 2 of NRS 116.3115. The budget must include, without limitation:

(1) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(2) As of the end of the fiscal year for which the budget is prepared, the current estimate of the amount of cash reserves that are necessary, and the current amount of accumulated cash reserves that are set aside, to repair, replace or restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(3) A statement as to whether the executive board has determined or anticipates that the levy of one or more special assessments will be necessary to repair, replace or restore any major component of the common elements or any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore or to provide adequate funding for the reserves designated for that purpose; and

(4) A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to subparagraph (2), including, without limitation, the qualifications of the person responsible for the preparation of the study of the reserves required by NRS 116.31152.

2. In lieu of distributing copies of the budgets of the association required by subsection 1, the executive board may distribute to each unit's owner a summary of those budgets, accompanied by a written notice that:

(a) The budgets are available for review at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties but not to exceed 60 miles from the physical location of the common-interest community; and

(b) Copies of the budgets will be provided upon request.

3. Within 60 days after adoption of any proposed budget for the common-interest community, the executive board shall provide ~~to~~

~~(a) Cause~~ a summary of the proposed budget to each ~~to each~~ ~~in a secret ballot and a return envelope to be sent, prepaid by United States mail, to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the~~ unit's owner ~~to~~ and shall set

~~(b) Set~~ a date for a meeting of the units' owners to consider ratification of the proposed budget ~~open and count the secret written ballots. The meeting must be~~ not less than 14 days or more than 30 days after the mailing of the summaries. Unless ~~ballots. At the meeting, the president of the association shall preside, a committee of the units' owners shall open and count only the secret written ballots that are returned to the association. A quorum is not required to be present when the secret written ballots are opened and counted. If,~~ at that meeting, a majority of all units' owners, or any larger vote specified in the declaration, reject ~~the votes cast are cast in favor of ratifying~~ the proposed budget, the proposed budget is ratified ~~to~~, whether or not a quorum is present. If the proposed budget is rejected, ~~not ratified,~~ the periodic budget last ratified by the units' owners must be continued until such time as the units' owners ratify a subsequent budget proposed by the executive board.

4. The executive board shall, at the same time and in the same manner that the executive board makes the budget available to a unit's owner pursuant to this section, make available to each unit's owner the policy established for the association concerning the collection of any fees, fines, assessments or costs imposed against a unit's owner pursuant to this chapter. The policy must include, without limitation:

(a) ~~The responsibility of~~ **A provision that a fee, fine, assessment or cost may not be referred for collection unless the** unit's owner ~~to pay any such fees, fines, assessments or costs in a timely manner;~~ **has not paid the fee, fine, assessment or cost within 60 days after the** ~~first day of the month following the month in~~ **date on which notice of the fee, fine, assessment or cost is sent or otherwise communicated to the unit's owner or, if the amount of the fee, fine, assessment or cost is \$1,000 or more, within 90 days after the period set forth in this paragraph;** and

(b) The association's rights concerning the collection of such fees, fines, assessments or costs if the unit's owner fails to pay the fees, fines, assessments or costs ~~in a timely manner.~~ **within the period set forth in paragraph (a).**

Sec. 21. NRS 116.31152 is hereby amended to read as follows:

116.31152 1. The executive board shall:

(a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(b) At least annually, review the results of that study to determine whether those reserves are sufficient; and

(c) At least annually, make any adjustments to the association's funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

2. Except as otherwise provided in this subsection, the study of the reserves required by subsection 1 must be conducted by a person who holds a permit issued pursuant to chapter 116A of NRS. If the common-interest community contains 20 or fewer units and is located in a county whose population is 50,000 or less, the study of the reserves required by subsection 1 may be conducted by any person whom the executive board deems qualified to conduct the study.

3. The study of the reserves must include, without limitation:

(a) A summary of an inspection of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(b) An identification of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore which have a remaining useful life of less than 30 years;

(c) An estimate of the remaining useful life of each major component of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore identified pursuant to paragraph (b);

(d) An estimate of the cost of maintenance, repair, replacement or restoration of each major component of the common elements and any other portion of the common-interest community identified pursuant to paragraph (b) during and at the end of its useful life; and

(e) An estimate of the total annual assessment that may be necessary to cover the cost of maintaining, repairing, replacement or restoration of the major components of the common elements and any other portion of the common-interest community identified pursuant to paragraph (b), after subtracting the reserves of the association as of the date of the study, and an estimate of the funding plan that may be necessary to provide adequate funding for the required reserves.

4. ***Upon completion of the study of the reserves required by this section, the association shall notify the units' owners that the study is available for review and make the study available in electronic format to a unit's owner at no charge. Not earlier than 20 days after the association notifies the***

units' owners of the completion of the study, the executive board must conduct a meeting of the executive board for the purpose of approving the study. Before approving the study at the meeting, the executive board shall accept, review and consider comments by the units' owners in the manner required by NRS 116.31085. Notwithstanding any other provision of this chapter or the governing documents, the executive board may not take any actions based on the study, including, without limitation, establishing a funding plan to provide adequate funding for the reserves, unless and until the executive board approves the study at a meeting of the executive board.

5. A summary of the study of the reserves required by subsection 1 must be submitted to the Division not later than 45 days after the date that the executive board adopts the results of the study.

~~{5-}~~ 6. If a common-interest community was developed as part of a planned unit development pursuant to chapter 278A of NRS and is subject to an agreement with a city or county to receive credit against the amount of the residential construction tax that is imposed pursuant to NRS 278.4983 and 278.4985, the association that is organized for the common-interest community may use the money from that credit for the repair, replacement or restoration of park facilities and related improvements if:

(a) The park facilities and related improvements are identified as major components of the common elements of the association; and

(b) The association is obligated to repair, replace or restore the park facilities and related improvements in accordance with the study of the reserves required by subsection 1.

Sec. 22. ~~[NRS 116.3116 is hereby amended to read as follows:~~

~~116.3116 1. The association has a lien on a unit for any construction penalty that is imposed against the unit's owner pursuant to NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment or fine becomes due. Unless the declaration otherwise provides, any penalties, fees, charges, late charges, fines and interest charged pursuant to paragraphs (j) to (n), inclusive, of subsection 1 of NRS 116.3102 are enforceable as assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.~~

~~2. A lien under this section is prior to all other liens and encumbrances on a unit except:~~

~~(a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances which the association creates, assumes or takes subject to;~~

~~(b) A first security interest on the unit recorded before the date on which the assessment sought to be enforced became delinquent or, in a cooperative, the first security interest encumbering only the unit's owner's interest and perfected before the date on which the assessment sought to be enforced became delinquent; and~~

~~(c) Liens for real estate taxes and other governmental assessments or charges against the unit or cooperative.~~

~~→ The lien is also prior to all security interests described in paragraph (b) [to the extent of any] **but only in an amount not to exceed** charges incurred by the association on a unit pursuant to NRS 116.310312 [and to the extent of] **plus an amount not to exceed nine times the** [assessments] **monthly assessment** for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which [would have become due in the absence of acceleration during the 9 months immediately preceding institution of an] **is in effect at the time of the commencement of a civil** action to enforce the **association's** lien, unless federal regulations adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a [shorter period of] **lesser amount for the amount of the** priority for [the lien.] **assessments**. If federal regulations adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a [shorter period of] **lesser amount for the amount of the** priority for [the lien.] **assessment**, the [period during which the lien is prior to all security interests described in paragraph (b)] **amount of assessments to be given priority pursuant to this subsection** must be determined in accordance with those federal regulations, except that notwithstanding the provisions of the federal regulations, the [period of] **amount of assessments to be given** priority [for the lien] must not be less than [the 6 months immediately preceding institution of an] **six times the monthly assessment for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which is in effect at the time of the commencement of a civil** action to enforce the **association's** lien. This subsection does not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the association.~~

~~3. Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority.~~

~~4. Recording of the declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this section is required.~~

~~5. A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within 3 years after the full amount of the assessments becomes due.~~

~~6. This section does not prohibit actions to recover sums for which subsection 1 creates a lien or prohibit an association from taking a deed in lieu of foreclosure.~~

~~7. A judgment or decree in any action brought under this section must include costs and reasonable attorney's fees for the prevailing party.~~

~~8. The association, upon written request, shall furnish to a unit's owner a statement setting forth the amount of unpaid assessments against the unit. If~~

~~the interest of the unit's owner is real estate or if a lien for the unpaid assessments may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the statement must be in recordable form. The statement must be furnished within 10 business days after receipt of the request and is binding on the association, the executive board and every unit's owner.~~

~~9. In a cooperative, upon nonpayment of an assessment on a unit, the unit's owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and:~~

~~(a) In a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, the association's lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive;~~

~~(b) In a cooperative where the owner's interest in a unit is personal property under NRS 116.1105, the association's lien:~~

~~(1) May be foreclosed as a security interest under NRS 104.9101 to 104.9709, inclusive; or~~

~~(2) If the declaration so provides, may be foreclosed under NRS 116.31162 to 116.31168, inclusive.] (Deleted by amendment.)~~

Sec. 23. ~~[NRS 116.31164 is hereby amended to read as follows:~~

~~116.31164 1. The sale must be conducted in the county in which the common-interest community or part of it is situated, and may be conducted by the association, its agent or attorney, or a title insurance company or escrow agent licensed to do business in this State, except that the sale may be made at the office of the association if the notice of the sale so provided, whether the unit is located within the same county as the office of the association or not. The association or other person conducting the sale may from time to time postpone the sale by such advertisement and notice as it considers reasonable or, without further advertisement or notice, by proclamation made to the persons assembled at the time and place previously set and advertised for the sale.~~

~~2. If the sale does not occur within 120 days after the date on which a copy of the notice of default and election to sell was mailed to the unit's owner or his or her successor in interest in the manner required by paragraph (b) of subsection 3 of NRS 116.31162, the association and any person acting on behalf of the association may not:~~

~~(a) Foreclose the association's lien by sale pursuant to NRS 116.31162 to 116.31168, inclusive; or~~

~~(b) File a civil action to obtain a judgment against the unit's owner for the amount due,~~

~~unless, within the period set forth in this subsection, the association, the unit's owner and any other person with a lien on the unit execute and record in the office of the county recorder of the county in which the unit is located a written agreement extending the period. The written agreement must be acknowledged as required by law for the acknowledgment of deeds. If the sale does not occur within the time provided in the written agreement, the association and any person acting on behalf of the~~

~~association may not foreclose the association's lien by sale pursuant to NRS 116.31162 to 116.31168, inclusive, or file a civil action to obtain a judgment against the unit's owner for the amount due.~~

~~2. On the day of sale originally advertised or to which the sale is postponed, at the time and place specified in the notice or postponement, the person conducting the sale may sell the unit at public auction to the highest cash bidder. Unless otherwise provided in the declaration or by agreement, the association may purchase the unit and hold, lease, mortgage or convey it. The association may purchase by a credit bid up to the amount of the unpaid assessments and any permitted costs, fees and expenses incident to the enforcement of its lien.~~

~~[3.] 4. After the sale, the person conducting the sale shall:~~

~~(a) Make, execute and, after payment is made, deliver to the purchaser, or his or her successor or assign, a deed without warranty which conveys to the grantee all title of the unit's owner to the unit;~~

~~(b) Deliver a copy of the deed to the Ombudsman within 30 days after the deed is delivered to the purchaser, or his or her successor or assign; and~~

~~(c) Apply the proceeds of the sale for the following purposes in the following order:~~

~~(1) The reasonable expenses of sale;~~

~~(2) The reasonable expenses of securing possession before sale, holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges, premiums on hazard and liability insurance, and, to the extent provided for by the declaration, reasonable attorney's fees and other legal expenses incurred by the association;~~

~~(3) Satisfaction of the association's lien;~~

~~(4) Satisfaction in the order of priority of any subordinate claim of record; and~~

~~(5) Remittance of any excess to the unit's owner.} (Deleted by amendment.)~~

Sec. 24. NRS 116.31175 is hereby amended to read as follows:

116.31175 1. Except as otherwise provided in this subsection, the executive board of an association shall, upon the written request of a unit's owner, make available the books, records and other papers of the association , ***including, without limitation, the budget, the reserve study ~~and~~ and any contracts to which the association is a party, ~~records filed with a court relating to civil or criminal action to which the association is a party, minutes of meetings of the units' owners and of the executive board, attorney opinions which do not relate to current litigation involving the association, any architectural plan or specification submitted by a unit's owner, agendas of meetings of the units' owners and of the executive board, records of violations of the governing documents excluding names and addresses, records relating to the investments of the association, bank statements, cancelled checks, insurance policies and any permits, even if the book, record or paper is in draft form or is unapproved or in the process of being~~***

~~developed,~~ for review at the business office of the association or a designated business location not to exceed 60 miles from the physical location of the common-interest community and during the regular working hours of the association ~~for~~, including, without limitation, all contracts to which the association is a party and all records filed with a court relating to a civil or criminal action to which the association is a party. The provisions of this subsection do not apply to:

(a) The personnel records of the employees of the association, except for those records relating to the number of hours worked and the salaries and benefits of those employees;

(b) The records of the association relating to another unit's owner , including, without limitation, any architectural plan or specification submitted by a unit's owner to the association during an approval process required by the governing documents, except for those records described in subsection 2; and

(c) Any document, including, without limitation, minutes of an executive board meeting, a reserve study and a budget, if the document:

(1) Is in the process of being developed for final consideration by the executive board; and

(2) Has not been placed on an agenda for final approval by the executive board. ~~Other than records specifically mentioned in this subsection.~~

2. The executive board of an association shall maintain a general record concerning each violation of the governing documents, other than a violation involving a failure to pay an assessment, for which the executive board has imposed a fine, a construction penalty or any other sanction. The general record:

(a) Must contain a general description of the nature of the violation and the type of the sanction imposed. If the sanction imposed was a fine or construction penalty, the general record must specify the amount of the fine or construction penalty.

(b) Must not contain the name or address of the person against whom the sanction was imposed or any other personal information which may be used to identify the person or the location of the unit, if any, that is associated with the violation.

(c) Must be maintained in an organized and convenient filing system or data system that allows a unit's owner to search and review the general records concerning violations of the governing documents.

3. If the executive board refuses to allow a unit's owner to review the books, records or other papers of the association, the Ombudsman may:

(a) On behalf of the unit's owner and upon written request, review the books, records or other papers of the association during the regular working hours of the association; and

(b) If the Ombudsman is denied access to the books, records or other papers, request the Commission, or any member thereof acting on behalf of the Commission, to issue a subpoena for their production.

4. The books, records and other papers of an association must be maintained for at least 10 years. The provisions of this subsection do not apply to:

(a) The minutes of a meeting of the units' owners which must be maintained in accordance with NRS 116.3108; or

(b) The minutes of a meeting of the executive board which must be maintained in accordance with NRS 116.31083.

5. The executive board shall not require a unit's owner to pay an amount in excess of \$10 per hour to review any books, records, contracts or other papers of the association pursuant to the provisions of this section.

6. If an official publication contains or will contain any mention of a candidate or ballot question, the official publication must, upon request and without charge, provide equal space to the candidate or a representative of an organization which supports the passage or defeat of the ballot question.

7. If an official publication contains or will contain the views or opinions of the association, the executive board, a community manager or an officer, employee or agent of an association concerning an issue of official interest, the official publication must, upon request and without charge, provide equal space to opposing views and opinions of a unit's owner, tenant or resident of the common-interest community. ~~If the views or opinions of the association, the executive board, a community manager or an officer, employee or agent of an association are published in an official newsletter or other similar publication that is circulated to each unit's owner, in addition to any other manner of official publication for the opposing views or opinions of a unit's owner, tenant or resident, those opposing views or opinions may be published in the same such newsletter or publication or in the next such newsletter or publication but the opposing views or opinions must be published in an official newsletter or similar publication within 45 days after publication of the views or opinions of the association, the executive board, community manager or officer, employee or agent of the association. If the views or opinions of the association, the executive board, a community manager or an officer, employee or agent of an association are published on an official website or on an official bulletin board that is available to each unit's owner, in addition to any other manner of official publication for the opposing views or opinions, the opposing views or opinions of a unit's owner, tenant or resident must be published in the next official newsletter or other similar publication that is circulated to each unit's owner or in an official newsletter or similar publication published within 45 days after publication of the views or opinions of the association, executive board, community manager or officer, employee or agent of the association, whichever is earlier.]~~

8. The association and its officers, employees and agents are immune from criminal or civil liability for any act or omission which arises out of the publication or disclosure of any information related to any person and which occurs in the course of carrying out any duties required pursuant to subsection 6 or 7.

9. As used in this section:

(a) "Issue of official interest" includes, without limitation:

(1) Any issue on which the executive board or the units' owners will be voting, including, without limitation, the election of members of the executive board; and

(2) The enactment or adoption of rules or regulations that will affect a common-interest community.

(b) "Official publication" means:

(1) An official website;

(2) An official newsletter or other similar publication that is circulated to each unit's owner; or

(3) An official bulletin board that is available to each unit's owner,

➡ which is published or maintained at the cost of an association and by an association, an executive board, a member of an executive board, a community manager or an officer, employee or agent of an association.

Sec. 25. NRS 116.31183 is hereby amended to read as follows:

116.31183 1. An executive board, a member of an executive board, a community manager or an officer, employee or agent of an association shall not take, or direct or encourage another person to take, any retaliatory action against a unit's owner , ***including, without limitation, demanding money from a unit's owner, prohibiting the use of the common elements by the unit's owner, restricting the access of friends, relatives or any invitee of a unit's owner, filing against the unit's owner a false or fraudulent affidavit with the Division pursuant to NRS 116.760, filing against the unit's owner a false or fraudulent claim with the Division pursuant to NRS 38.320, or filing a frivolous civil action for the purpose of harassing the unit's owner,*** because the unit's owner has:

(a) Complained in good faith about any alleged violation of any provision of this chapter , ~~for~~ the governing documents of the association ~~;~~ ***or any federal, state, county or municipal law, ordinance or code;***

(b) Recommended the selection or replacement of an attorney, community manager or vendor; or

(c) Requested in good faith to review the books, records or other papers of the association.

2. In addition to any other remedy provided by law, upon a violation of this section, a unit's owner may bring a separate action to recover:

(a) Compensatory damages; and

(b) Attorney's fees and costs of bringing the separate action.

Sec. 26. ~~NRS 116.330 is hereby amended to read as follows:~~

~~116.330 1. The executive board shall not and the governing documents must not prohibit a unit's owner from installing or maintaining drought tolerant landscaping within such physical portion of the common interest community as that owner has a right to occupy and use exclusively, including, without limitation, the front yard or back yard of the unit's owner, except that:~~

~~(a) Before installing drought tolerant landscaping, the unit's owner must submit a detailed description or plans for the drought tolerant landscaping for architectural review and approval in accordance with the procedures, if any, set forth in the governing documents of the association; and~~

~~(b) The drought tolerant landscaping must be selected or designed to the maximum extent practicable to be compatible with the style of the common interest community.~~

~~→ The provisions of this subsection must be construed liberally in favor of effectuating the purpose of encouraging the use of drought tolerant landscaping, and the executive board shall not and the governing documents must not unreasonably deny or withhold approval for the installation of drought tolerant landscaping or unreasonably determine that the drought tolerant landscaping is not compatible with the style of the common interest community.~~

~~2. The association may not charge a fee to a unit's owner who is seeking approval to install drought tolerant landscaping pursuant to this section.~~

~~3. Installation of drought tolerant landscaping within any common element or conversion of traditional landscaping or cultivated vegetation, such as turf grass, to drought tolerant landscaping within any common element shall not be deemed to be a change of use of the common element unless:~~

~~(a) The common element has been designated as a park, open play space or golf course on a recorded plat map; or~~

~~(b) The traditional landscaping or cultivated vegetation is required by a governing body under the terms of any applicable zoning ordinance, permit or approval or as a condition of approval of any final subdivision map.~~

~~[3.] 4. As used in this section, "drought tolerant landscaping" means landscaping which conserves water, protects the environment and is adaptable to local conditions. The term includes, without limitation, the use of mulches such as decorative rock and artificial turf.] (Deleted by amendment.)~~

Sec. 27. NRS 116.335 is hereby amended to read as follows:

116.335 1. Unless, at the time a unit's owner purchased his or her unit, the declaration prohibited the unit's owner from renting or leasing his or her unit, the association may not prohibit the unit's owner from renting or leasing his or her unit.

2. Unless, at the time a unit's owner purchased his or her unit, the declaration required the unit's owner to secure or obtain any approval from

the association in order to rent or lease his or her unit, an association may not require the unit's owner to secure or obtain any approval from the association in order to rent or lease his or her unit.

3. If a declaration contains a provision establishing a maximum number or percentage of units in the common-interest community which may be rented or leased, that provision of the declaration may not be amended to decrease that maximum number or percentage of units in the common-interest community which may be rented or leased.

4. The provisions of this section do not prohibit an association from enforcing any provisions which govern the renting or leasing of units and which are contained in this chapter or in any other applicable federal, state or local laws or regulations.

5. Notwithstanding any other provision of law or the declaration to the contrary:

(a) If a unit's owner is prohibited from renting or leasing a unit because the maximum number or percentage of units which may be rented or leased in the common-interest community have already been rented or leased, the unit's owner may seek a waiver of the prohibition from the executive board based upon a showing of economic hardship, and the executive board ~~may~~ **shall** grant such a waiver **upon proof of economic hardship** and approve the renting or leasing of the unit.

(b) If the declaration contains a provision establishing a maximum number or percentage of units in the common-interest community which may be rented or leased, in determining the maximum number or percentage of units in the common-interest community which may be rented or leased, the number of units owned by the declarant must not be counted or considered.

Sec. 28. NRS 116.350 is hereby amended to read as follows:

116.350 1. In a common-interest community which is not gated or enclosed and the access to which is not restricted or controlled by a person or device, the executive board shall not and the governing documents must not provide for

~~(a) Provide~~ for the regulation of any road, street, alley or other thoroughfare the right-of-way of which is accepted by the State or a local government for dedication as a road, street, alley or other thoroughfare for public use.

~~§ (b) Except as otherwise provided in paragraph (c) of NRS 116.3102, interfere with the parking of any automobile, privately owned standard pickup truck, motorcycle or any other vehicle not specifically described in subsection 2.~~

2. Except as otherwise provided in subsection 3, the provisions of subsection 1 do not preclude an association from adopting, and do not preclude the governing documents of an association from setting forth, rules that reasonably restrict the parking or storage of recreational vehicles, watercraft, trailers or commercial vehicles in the common-interest community to the extent authorized by law.

3. In any common-interest community, the executive board shall not and the governing documents must not prohibit a person from:

(a) Parking a utility service vehicle that has a gross vehicle weight rating of 20,000 pounds or less:

(1) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of the unit of a subscriber or consumer, while the person is engaged in any activity relating to the delivery of public utility services to subscribers or consumers; or

(2) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of his or her unit, if the person is:

(I) A unit's owner or a tenant of a unit's owner; and

(II) Bringing the vehicle to his or her unit pursuant to his or her employment with the entity which owns the vehicle for the purpose of responding to emergency requests for public utility services; or

(b) Parking a law enforcement vehicle or emergency services vehicle:

(1) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of the unit of a person to whom law enforcement or emergency services are being provided, while the person is engaged in his or her official duties; or

(2) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of his or her unit, if the person is:

(I) A unit's owner or a tenant of a unit's owner; and

(II) Bringing the vehicle to his or her unit pursuant to his or her employment with the entity which owns the vehicle for the purpose of responding to requests for law enforcement services or emergency services.

4. An association may require that a person parking a utility service vehicle, law enforcement vehicle or emergency services vehicle as set forth in subsection 3 provide written confirmation from his or her employer that the person is qualified to park his or her vehicle in the manner set forth in subsection 3.

5. ***In a common-interest community which is not gated or enclosed and the access to which is not restricted or controlled by a person or device, the association shall display a sign in plain view on or near any property on which parking is prohibited or restricted in a certain manner.***

6. As used in this section:

(a) "Emergency services vehicle" means a vehicle:

(1) Owned by any governmental agency or political subdivision of this State; and

(2) Identified by the entity which owns the vehicle as a vehicle used to provide emergency services.

(b) "Law enforcement vehicle" means a vehicle:

(1) Owned by any governmental agency or political subdivision of this State; and

(2) Identified by the entity which owns the vehicle as a vehicle used to provide law enforcement services.

(c) "Utility service vehicle" means any motor vehicle:

(1) Used in the furtherance of repairing, maintaining or operating any structure or any other physical facility necessary for the delivery of public utility services, including, without limitation, the furnishing of electricity, gas, water, sanitary sewer, telephone, cable or community antenna service; and

(2) Except for any emergency use, operated primarily within the service area of a utility's subscribers or consumers, without regard to whether the motor vehicle is owned, leased or rented by the utility.

Sec. 29. NRS 116.4117 is hereby amended to read as follows:

116.4117 1. Subject to the requirements set forth in subsection 2, if a declarant, community manager or any other person subject to this chapter fails to comply with any of its provisions or any provision of the declaration or bylaws, any person or class of persons suffering actual damages from the failure to comply may bring a civil action for damages or other appropriate relief.

2. Subject to the requirements set forth in NRS 38.310 and except ~~Except~~ as otherwise provided in NRS 116.3111, a civil action for damages or other appropriate relief for a failure or refusal to comply with any provision of this chapter or the governing documents of an association may be brought:

(a) By the association against:

- (1) A declarant;
- (2) A community manager; or
- (3) A unit's owner.

(b) By a unit's owner **or a tenant or an invitee of a unit's owner or a tenant** against:

- (1) The association;
- (2) A declarant; or
- (3) Another unit's owner of the association.

(c) By a class of units' owners constituting at least 10 percent of the total number of voting members of the association against a community manager.

3. Except as otherwise provided in NRS 116.31036, punitive damages may be awarded for a willful and material failure to comply with any provision of this chapter if the failure is established by clear and convincing evidence.

4. The court may award reasonable attorney's fees to the prevailing party.

5. The civil remedy provided by this section is in addition to, and not exclusive of, any other available remedy or penalty.

Sec. 30. ~~NRS 116.745 is hereby amended to read as follows:~~

~~116.745 As used in NRS 116.745 to 116.795, inclusive, and section 1 of this act, unless the context otherwise requires, "violation" means a violation~~

~~of any provision of this chapter, any regulation adopted pursuant thereto or any order of the Commission or a hearing panel.] (Deleted by amendment.)~~

Sec. 31. NRS 116.757 is hereby amended to read as follows:

116.757 1. Except as otherwise provided in this section and NRS 239.0115, a written affidavit filed with the Division pursuant to NRS 116.760, all documents and other information filed with the written affidavit and all documents and other information compiled as a result of an investigation conducted to determine whether to file a formal complaint with the Commission are confidential. ~~[The]~~ ***Except as otherwise provided in this subsection, the*** Division shall not disclose any ***findings or other*** information that is confidential pursuant to this subsection, in whole or in part, to any person, ~~[including, without limitation, a person who is the subject of an investigation or complaint,]~~ unless and until a formal complaint is filed pursuant to subsection 2 and the disclosure is required pursuant to subsection 2. ***The Division shall provide to each party to the dispute for which the written affidavit was filed a copy of the documents and other information submitted by the other party.***

2. A formal complaint filed by the Administrator with the Commission and all documents and other information considered by the Commission or a hearing panel when determining whether to impose discipline or take other administrative action pursuant to NRS 116.745 to 116.795, inclusive, ~~and section 1 of this act~~ are public records.

Sec. 32. NRS 116.765 is hereby amended to read as follows:

116.765 1. Upon receipt of an affidavit that complies with the provisions of NRS 116.760, the Division shall refer the affidavit to the Ombudsman.

2. The Ombudsman shall give such guidance to the parties as the Ombudsman deems necessary to assist the parties to resolve the alleged violation. ***The Ombudsman shall provide each party an opportunity to respond to any allegations or statements made by the other party or the Division.***

3. If the parties are unable to resolve the alleged violation with the assistance of the Ombudsman, the Ombudsman shall provide to the Division a report concerning the alleged violation and any information collected by the Ombudsman during his or her efforts to assist the parties to resolve the alleged violation.

4. Upon receipt of the report from the Ombudsman, the Division shall conduct an investigation to determine whether good cause exists to proceed with a hearing on the alleged violation.

5. If, after investigating the alleged violation, the Division determines that the allegations in the affidavit are not frivolous, false or fraudulent and that good cause exists to proceed with a hearing on the alleged violation, the Administrator shall file a formal complaint with the Commission and schedule a hearing on the complaint before the Commission or a hearing panel.

Sec. 33. ~~[NRS 38.310 is hereby amended to read as follows:~~

~~38.310 1. [No] Except as otherwise provided in subsections 2 and 3, no civil action based upon a claim relating to:~~

~~(a) The interpretation, application or enforcement of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association; or~~

~~(b) The procedures used for increasing, decreasing or imposing additional assessments upon residential property;~~

~~may be commenced in any court in this State unless the action has been submitted to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, and, if the civil action concerns real estate within a planned community subject to the provisions of chapter 116 of NRS or real estate within a condominium hotel subject to the provisions of chapter 116B of NRS, all administrative procedures specified in any covenants, conditions or restrictions applicable to the property or in any bylaws, rules and regulations of an association have been exhausted.~~

~~2. If:~~

~~(a) A civil action described in subsection 1 concerns real estate within a planned community subject to the provisions of chapter 116 of NRS and relates to a citation of a unit's owner or a tenant of a unit's owner for a violation of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association; and~~

~~(b) All administrative procedures specified in any covenants, conditions or restrictions applicable to the property or in any bylaws, rules and regulations of an association have been exhausted,~~

~~the unit's owner or tenant may submit the civil action to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, or commence the civil action in a court of competent jurisdiction without complying with the provisions of NRS 38.300 to 38.360, inclusive.~~

~~3. If a civil action described in subsection 1 concerns real estate within a planned community subject to the provisions of chapter 116 of NRS and is brought by an invitee of a unit's owner or a tenant of a unit's owner, the invitee may submit the civil action to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, or commence the civil action in a court of competent jurisdiction without complying with the provisions of NRS 38.300 to 38.360, inclusive.~~

~~4. A court shall dismiss any civil action which is commenced in violation of the provisions of [subsection 1.] **this section.** (Deleted by amendment.)~~

Sec. 34. NRS 38.330 is hereby amended to read as follows:

38.330 1. If all parties named in a written claim filed pursuant to NRS 38.320 agree to have the claim submitted for mediation, the parties shall reduce the agreement to writing and shall select a mediator from the list of mediators maintained by the Division pursuant to NRS 38.340. Any mediator selected must be available within the geographic area. If the parties fail to

agree upon a mediator, the Division shall appoint a mediator from the list of mediators maintained by the Division. Any mediator appointed must be available within the geographic area. Unless otherwise provided by an agreement of the parties, mediation must be completed within 60 days after the parties agree to mediation. Any agreement obtained through mediation conducted pursuant to this section must, within 20 days after the conclusion of mediation, be reduced to writing by the mediator and a copy thereof provided to each party. The agreement may be enforced as any other written agreement. ~~If a party commences a civil action based upon any claim which was the subject of mediation, the findings of the mediator are not admissible in that action.~~ Except as otherwise provided in this section, the parties are responsible for all costs of mediation conducted pursuant to this section.

2. If all the parties named in the claim do not agree to mediation, the parties shall select an arbitrator from the list of arbitrators maintained by the Division pursuant to NRS 38.340. Any arbitrator selected must be available within the geographic area. If the parties fail to agree upon an arbitrator, the Division shall appoint an arbitrator from the list maintained by the Division. Any arbitrator appointed must be available within the geographic area. Upon appointing an arbitrator, the Division shall provide the name of the arbitrator to each party. An arbitrator shall, not later than 5 days after the arbitrator's selection or appointment pursuant to this subsection, provide to the parties an informational statement relating to the arbitration of a claim pursuant to this section. The written informational statement:

(a) Must be written in plain English;

(b) Must explain the procedures and applicable law relating to the arbitration of a claim conducted pursuant to this section, including, without limitation, the procedures, timelines and applicable law relating to confirmation of an award pursuant to NRS 38.239, vacation of an award pursuant to NRS 38.241, judgment on an award pursuant to NRS 38.243, and any applicable statute or court rule governing the award of attorney's fees or costs to any party; and

(c) Must be accompanied by a separate form acknowledging that the party has received and read the informational statement, which must be returned to the arbitrator by the party not later than 10 days after receipt of the informational statement.

3. The Division may provide for the payment of the fees for a mediator or an arbitrator selected or appointed pursuant to this section from the Account for Common-Interest Communities and Condominium Hotels created by NRS 116.630, to the extent that:

(a) The Commission for Common-Interest Communities and Condominium Hotels approves the payment; and

(b) There is money available in the Account for this purpose.

4. **The fees for a mediator or an arbitrator selected or appointed pursuant to this section must not exceed ~~(\$750 and, except)~~ \$1,000, unless a greater fee is authorized for good cause shown. Except as otherwise**

provided in subsection 3, each party to the mediation or arbitration must pay an equal percentage of the fees for the mediator or arbitrator.

5. A party to a mediation or an arbitration conducted pursuant to this section is not liable for the costs or attorney's fees incurred by another party during the mediation or arbitration.

6. If a party to a mediation or an arbitration conducted pursuant to this section submits a written statement to the Division alleging that the mediator or arbitrator has a conflict of interest or is biased against that party and submits with the written statement evidence to substantiate the allegation, the Division shall remove the mediator or arbitrator and appoint a mediator or arbitrator from the list maintained by the Division pursuant to NRS 38.340 who is acceptable to each party. A mediator or arbitrator who has been removed by the Division pursuant to this subsection shall refund to the parties any payments made by the parties for the fees of the mediator or arbitrator.

7. Except as otherwise provided in this section and except where inconsistent with the provisions of NRS 38.300 to 38.360, inclusive, the arbitration of a claim pursuant to this section must be conducted in accordance with the provisions of NRS 38.231, 38.232, 38.233, 38.236 to 38.239, inclusive, 38.242 and 38.243. At any time during the arbitration of a claim relating to the interpretation, application or enforcement of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association, the arbitrator may issue an order prohibiting the action upon which the claim is based. An award must be made within 30 days after the conclusion of arbitration, unless a shorter period is agreed upon by the parties to the arbitration.

~~{5.}~~ 8. If all the parties have agreed to nonbinding arbitration, any party to the nonbinding arbitration may, within 30 days after a decision and award have been served upon the parties, commence a civil action in the proper court concerning the claim which was submitted for arbitration. Any complaint filed in such an action must contain a sworn statement indicating that the issues addressed in the complaint have been arbitrated pursuant to the provisions of NRS 38.300 to 38.360, inclusive. ~~If an action is commenced within that period, the findings of the arbitrator are not admissible in that action. If~~ such an action is not commenced within that period, any party to the arbitration may, within 1 year after the service of the award, apply to the proper court for a confirmation of the award pursuant to NRS 38.239.

~~{6.}~~ 9. If all the parties agree in writing to binding arbitration, the arbitration must be conducted in accordance with the provisions of this chapter. An award procured pursuant to such binding arbitration may be vacated and a rehearing granted upon application of a party pursuant to the provisions of NRS 38.241.

~~{7.}~~ 10. If, after the conclusion of binding arbitration, a party:

(a) Applies to have an award vacated and a rehearing granted pursuant to NRS 38.241; or

(b) Commences a civil action based upon any claim which was the subject of arbitration,

↪ the party shall, if the party fails to obtain a more favorable award or judgment than that which was obtained in the initial binding arbitration, pay all costs and reasonable attorney's fees incurred by the opposing party after the application for a rehearing was made or after the complaint in the civil action was filed.

~~{8.} If a party commences a civil action based upon any claim which was the subject of arbitration, the findings of the arbitrator are not admissible in that action.}~~

11. Upon request by a party, the Division shall provide a statement to the party indicating the amount of the fees for a mediator or an arbitrator selected or appointed pursuant to this section.

~~{9.}~~ **12.** As used in this section, "geographic area" means an area within 150 miles from any residential property or association which is the subject of a written claim submitted pursuant to NRS 38.320.

Sec. 35. ~~{The provisions of NRS 116.31164, as amended by section 23 of this act, apply only if a notice of default and election to sell is recorded pursuant to NRS 116.31162 on or after July 1, 2011.}~~ **(Deleted by amendment.)**

Sec. 36. This act becomes effective on July 1, 2011.

Assemblyman Ohrenschaal moved the adoption of the amendment.

Amendment adopted.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 482.

AN ACT relating to real property; providing for the issuance of cease and desist orders by the Administrator of the Real Estate Division of the Department of Business and Industry under certain circumstances; revising provisions governing access to a unit in a common-interest community; prohibiting an association of a common-interest community from charging certain fees; prohibiting an association from enacting certain restrictions on antennae and certain other devices for receiving broadcast signals; revising provisions governing the powers of an association; revising provisions governing the filling of vacancies on an executive board; revising provisions governing the powers and duties of the executive board; revising provisions governing construction penalties; revising provisions governing sanctions for violations of the governing documents; revising provisions governing the collection of certain past due financial obligations; revising provisions governing eligibility to be a member of the executive board or an officer of the association; requiring members of the executive board to complete certain courses of education; revising provisions governing meetings of the units' owners and of the executive board; revising provisions governing surplus funds of an association; revising provisions governing the budget of an association; revising provisions governing certain expenditures by an association; revising provisions governing assessments to fund the reserves of an association; revising provisions

governing studies of the reserves of an association; revising provisions governing liens of an association; revising provisions governing the books, records and papers of an association; revising provisions governing parking in a common-interest community; revising provisions governing claims based on alleged violations of certain laws and the interpretation, application and enforcement of the governing documents; revising various other provisions relating to common-interest communities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1.3 of this bill revises the definition of "costs of collecting" so that: (1) attorney's fees incurred by an association because a unit owner has filed a bankruptcy petition are not subject to the restrictions on fees to cover the costs of collecting a past due obligation; and (2) other attorney's fees incurred by an association in collecting a past due obligation are subject to those restrictions.

Section 1.5 of this bill provides for the issuance of orders to cease and desist by the Administrator of the Real Estate Division of the Department of Business and Industry under certain circumstances.

Existing law prohibits an association of a common-interest community from unreasonably restricting, prohibiting or otherwise impeding the right of a unit's owner to have access to his or her unit. (NRS 116.2111) **Section 2** of this bill prohibits the association from : **(1) restricting, prohibiting or otherwise impeding the access to the unit of the parents and children of the unit's owner**. ~~Section 2 also prohibits the association from: (1) ; (2)~~ charging a fee to a unit's owner for obtaining permission to change the exterior appearance of a unit or the landscaping; ~~and (2) ; (3)~~ **(3) restricting in a manner which violates certain federal regulations the installation, maintenance or use of an antenna or other device for receiving certain broadcast signals. ; and (4) prohibiting or unreasonably restricting a unit's owner from installing and using a clothesline within the boundaries of his or her unit.**

Existing law requires an association to provide certain notice at least 48 hours before directing the removal of a vehicle which is improperly parked on property owned or leased by the association unless the vehicle is blocking a fire hydrant, fire lane or handicapped parking space or poses a threat to the health, safety and welfare of residents. (NRS 116.3102) **Section 3** of this bill requires the association to provide the 48-hour notice before removing a vehicle which is blocking a handicapped parking space.

Section 4 of this bill provides for an emergency election to fill certain vacancies on the executive board if the executive board is unable to obtain a quorum because of such vacancies and requires the Division to apply for the appointment of a receiver for the association if the units' owners are unable to fill such vacancies. **Section 4** also: (1) requires the association to make available to members of the executive board, at no charge, certain books, records and papers; and (2) requires the executive board to notify the units'

owners if the executive board has been found to have violated the provisions of existing law governing common-interest communities or the governing documents.

Existing law authorizes an association to impose a construction penalty against a unit's owner who fails to adhere to a schedule. (NRS 116.310305) **Section 5** of this bill prohibits the imposition of a construction penalty if the failure to adhere to the schedule is caused by circumstances beyond the control of the unit's owner.

Existing law authorizes an association to prohibit a unit's owner or a tenant or an invitee of a unit's owner or a tenant from using the common elements as a sanction for a violation of the governing documents. (NRS 116.31031) **Section 6** of this bill provides that the association may prohibit only the use of a common element to which the violation relates, unless the violation is failure to pay an assessment. **Section 6** also revises provisions relating to fines for violations of the governing documents by: (1) providing a lifetime cap of \$2,500 on the amount of fines which may be imposed on a unit's owner and his or her spouse; (2) prohibiting an association from imposing a fine if another association has imposed a fine for the same conduct; (3) authorizing the postponement of a hearing on a violation for medical reasons; and (4) requiring a hearing before the imposition of a fine for a continuing violation.

Existing law authorizes, but does not require, an association to enter the grounds of a unit to maintain the exterior of the unit under certain circumstances. (NRS 116.310312) **Section 7** of this bill provides that this authorization expires if the unit's owner or the agent of the unit's owner performs the maintenance necessary for the unit to meet the community standards.

Section 8 of this bill ~~limits the type of collection fees which an association may charge to a unit's owner and~~ establishes a cap on the amount of ~~such~~ **collection** fees which is based on the amount of the outstanding balance ~~+~~ **and revises various provisions relating to the collection of amounts due the association.**

Section 9 of this bill requires a member of the executive board to successfully complete 2 hours of education concerning the duties of members of an executive board each year. **Section 9** also provides that: (1) unless the governing documents provide otherwise, officers of the association are required to be units' owners; and (2) a person who resides with, or is related within the first degree of consanguinity to, an officer of the association or member of the executive board may not become an officer of the association or a member of the executive board.

Section 11 of this bill revises various provisions relating to meetings of the units' owners by: (1) authorizing a unit's owner to request that an item be included on the agenda for the meeting; (2) authorizing a guest of a unit's owner to attend the meeting; and (3) authorizing a unit's owner to record the meeting on videotape as well as audiotape.

Section 12 of this bill revises various provisions relating to meetings of the executive board by: (1) requiring the meetings which are held at a time other than standard business hours to start no earlier than 6 p.m.; (2) requiring the agenda to be available not later than 5 days before the meeting; (3) requiring a copy of certain financial information required to be reviewed at an executive board meeting to be made available at no charge to each person present at the meeting and to be provided in electronic format at no charge to a unit's owner who requests the information; and (4) providing that a page limit on materials, remarks or other information to be included in the minutes of the meeting must not be less than two double-sided pages.

Section 13 of this bill revises provisions governing the right of a unit's owner to speak at a meeting of the units' owners or the executive board by: (1) requiring a limitation of not less than 3 minutes on the time a unit's owner may speak; (2) requiring the association to comply with the Americans with Disabilities Act in providing access to the meeting; (3) requiring the executive board to provide a period of comments by the units' owners before voting on a matter; and (4) authorizing a person to be represented by a person of his or her choosing at a hearing concerning an alleged violation of the governing documents.

Section 14 of this bill requires bids for the provision of durable goods to the association to be opened during a meeting of the executive board.

Existing law requires an executive board which receives a complaint from a unit's owner alleging that the executive board has violated existing law or the governing documents to place the subject of the complaint on the agenda for its next meeting if the unit's owner requests that action. (NRS 116.31087)

Section 15 of this bill requires the executive board to discuss the complaint fully and completely and attempt to resolve the complaint at the meeting.

Existing law creates certain crimes related to voting by units' owners. (NRS 116.31107) **Section 16** of this bill requires these provisions to be printed on each ballot provided to the units' owners.

Section 17 of this bill defines "surplus funds" for the purpose of determining whether the association is required to pay the surplus funds to units' owners.

Existing law requires a review or audit of the financial statement of an association at certain times. (NRS 116.31144) **Section 18** of this bill requires the association to provide a copy of the review or audit to a unit's owner in either paper or electronic format at no charge to the unit's owner if the unit's owner requests such a copy.

Under existing law, the proposed budget of an association takes effect unless the units' owners reject the proposed budget. (NRS 116.3115, 116.31151) **Sections 19 and 20** of this bill provide that the proposed budget does not take effect unless the units' owners ratify the proposed budget. If the proposed budget is not ratified, the most recently ratified budget continues in effect.

Section 19 also revises provisions governing special assessments by: (1) removing provisions which specifically authorize the executive board to impose necessary and reasonable assessments to carry out a plan to adequately fund the reserves of the association without seeking or obtaining the approval of the units' owners; (2) providing that an assessment to fund the reserves of the association may not exceed \$35 per unit per month; and (3) requiring the approval of the units' owners for capital expenditures exceeding a certain amount and for any visible changes to the interior or exterior of a common element.

Section 20 prohibits the association from charging fees to cover the costs of collecting a past due obligation unless the executive board has proposed, and a majority of the units' owners who cast votes have approved, a collection policy. Section 20 also requires the ~~{collections}~~ **collection** policy ~~[of the association to establish a certain period after which a delinquent fee, fine, assessment or cost may be referred for collection.]~~ **to include certain provisions.**

Existing law requires an association to conduct a study of the reserves required to repair, replace and restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain. (NRS 116.31152) **Section 21** of this bill prohibits the executive board from taking any action based on the study of the reserves, including, without limitation, establishing a funding plan to provide adequate funding for the required reserves, unless and until the executive board approves the study of the reserves at a meeting of the executive board. **Section 21** also: (1) requires the reserve study to be made available to a unit's owner in electronic format at no charge; and (2) provides for notice of the meeting to a unit's owner.

Section 22 of this bill revises provisions governing ~~[the amount of]~~ the association's lien which is prior to a first security interest on a unit.

~~§ Section 23 of this bill prohibits the foreclosure of an association's lien and the filing of a civil action to obtain a judgment for the amount due if: (1) the foreclosure sale does not occur within 120 days after mailing the notice of default and election to sell; or (2) an agreement extending that period is not reached.]~~

Existing law authorizes the association to foreclose its lien by sale of the unit and prescribes the procedures for such a foreclosure. (NRS 116.31162-116.31168) Section 22.5 of this bill revises provisions governing foreclosures by prohibiting the association from: (1) foreclosing its lien by sale based on delinquent assessments unless the amount of delinquent assessments exceeds a certain amount; and (2) foreclosing its lien by sale unless the executive board of the association authorizes the foreclosure in an executive session after providing notice of the meeting to a unit's owner.

Section 24 of this bill revises provisions governing the access of a unit's owner to the books, records and papers of an association and requires the

publication of the views or opinions of a unit's owner in the association's official newsletter under certain circumstances.

Existing law provides for a civil action if the executive board, a member of the executive board, a community manager or an officer, employee or agent of the association take, direct or encourage certain retaliatory action against a unit's owner. (NRS 116.31183) **Section 25** of this bill specifies certain actions which constitute retaliatory action.

Section 26 of this bill prohibits an association from charging a fee to a unit's owner to obtain approval for the installation of drought tolerant landscaping.

Section 27 of this bill replaces the authorization of an executive board to approve the renting or leasing of a unit under certain circumstances with a provision requiring the executive board to grant such approval under certain circumstances.

Section 28 of this bill: (1) prohibits the executive board and the governing documents from interfering with the parking of an automobile, privately owned standard pickup truck, motorcycle or certain other vehicles; and (2) requires the association of a common-interest community which is not gated or enclosed to display signs on or near any property on which parking is prohibited or restricted.

Existing law requires the association to provide a statement of any transfer fees, transaction fees or any other fees associated with the resale of a unit in the resale package which is provided to a potential purchaser of a unit. (NRS 116.4109) Section 28.5 of this bill establishes a limit of not more than \$50 on a fee charged to a unit's owner to record the transfer of a unit in the records of the association or its community manager.

Sections 29 and 33 of this bill revise provisions governing mediation and arbitration of claims relating to the interpretation, application or enforcement of certain governing documents by authorizing a civil action concerning certain claims to be commenced without submitting the claims to mediation or arbitration. **Section 29** also authorizes a civil action concerning a violation of existing law governing common-interest communities to be brought by a tenant or an invitee of a unit's owner or a tenant.

Sections 31 and 32 of this bill require the sharing of information by the parties to an affidavit filed with the Division alleging a violation of existing law governing common-interest communities.

Section 34 of this bill revises provisions governing the mediation and arbitration of certain claims relating to the governing documents by: (1) prohibiting the findings of a mediator or arbitrator from being admitted in a civil action; (2) limiting the fees of a mediator or an arbitrator to \$750; (3) requiring each party to a mediation or arbitration to pay an equal percentage of the fees of a mediator or arbitrator; (4) providing that a party to a mediation or arbitration is not liable for the costs and attorney's fees incurred

by another party during the mediation or arbitration; and (5) providing for the removal of a mediator or arbitrator under certain circumstances.

Existing law provides that a collection agency which violates the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq., or any regulation adopted pursuant thereto violates the provisions in existing state law relating to collection agencies. (NRS 649.370) Section 34.5 of this bill provides that a collection agency which violates the federal Fair Debt Collection Practices Act with respect to any debt owed to an association by a unit's owner is deemed to violate existing state law relating to collection agencies.

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

Section 1. Chapter 116 of NRS is hereby amended by adding thereto ~~a new section to read as follows:~~ **the provisions set forth as sections 1.3 and 1.5 of this act.**

Sec. 1.3. "Costs of collecting" includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a notice of default and election to sell or notice of foreclosure sale or a rescission thereof, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association incurs for the investigation, enforcement or collection of a past due obligation. The term does not include attorney's fees incurred by an association because the unit's owner has filed a bankruptcy petition pursuant to Title 11 of the United States Code.

Sec. 1.5. 1. If the Administrator has reasonable cause to believe that any person or executive board has engaged in any activity in violation of any provision of this chapter, any regulation adopted pursuant thereto or any order, decision, demand or requirement of the Commission or Division or a hearing panel, or is about to commit such a violation, and that the violation or potential violation has caused or is likely to cause irreversible harm, the Administrator may issue an order directing the person or executive board to desist and refrain from continuing to commit the violation or from doing any act in furtherance of the violation.

2. Within 30 days after the receipt of such an order, the person may file a verified petition with the Administrator for a hearing before the Commission.

3. The Commission shall hold a hearing at the next regularly scheduled meeting of the Commission. If the Commission fails to hold such a hearing, or does not render a written decision within 30 days after the hearing, the cease and desist order is rescinded.

4. The decision of the Commission at a hearing held pursuant to subsection 3 is a final decision for the purposes of judicial review.

Sec. 1.7. NRS 116.003 is hereby amended to read as follows:

116.003 As used in this chapter and in the declaration and bylaws of an association, unless the context otherwise requires, the words and terms defined in NRS 116.005 to 116.095, inclusive, **and section 1.3 of this act** have the meanings ascribed to them in those sections.

Sec. 2. NRS 116.2111 is hereby amended to read as follows:

116.2111 1. Except as otherwise provided in this section and subject to the provisions of the declaration and other provisions of law, a unit's owner:

(a) May make any improvements or alterations to his or her unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community;

(b) May not change the appearance of the common elements, or the exterior appearance of a unit or any other portion of the common-interest community, without permission of the association; and

(c) After acquiring an adjoining unit or an adjoining part of an adjoining unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common-interest community. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.

2. An association may not:

(a) ~~Unreasonably restrict,~~ **Restrict**, prohibit or otherwise impede the lawful rights of a unit's owner, **and the children or parents of a unit's owner**, to have reasonable access to his or her unit ~~[-]~~, **unless directed otherwise by the unit's owner.**

(b) Charge any fee for a person to enter the common-interest community to provide services to a unit, a unit's owner or a tenant of a unit's owner or for any visitor to the common-interest community or invitee of a unit's owner or a tenant of a unit's owner to enter the common-interest community.

(c) Unreasonably restrict, prohibit or withhold approval for a unit's owner to add to a unit:

(1) Improvements such as ramps, railings or elevators that are necessary to improve access to the unit for any occupant of the unit who has a disability;

(2) Additional locks to improve the security of the unit;

(3) Shutters to improve the security of the unit or to reduce the costs of energy for the unit; or

(4) A system that uses wind energy to reduce the costs of energy for the unit if the boundaries of the unit encompass 2 acres or more within the common-interest community.

(d) With regard to approving or disapproving any improvement or alteration made to a unit, act in violation of any state or federal law.

(e) Charge any fee to a unit's owner for obtaining permission to change the exterior appearance of a unit or the landscaping associated with a unit.

(f) Restrict in a manner which violates the provisions of 47 C.F.R. § 1.4000 the installation, maintenance or use of any antenna or other device described in that section.

(g) Prohibit or unreasonably restrict a unit's owner from installing and using a clothesline within the boundaries of his or her unit.

3. Any improvement or alteration made pursuant to subsection 2 that is visible from any other portion of the common-interest community must be installed, constructed or added in accordance with the procedures set forth in the governing documents of the association and must be selected or designed to the maximum extent practicable to be compatible with the style of the common-interest community.

4. An association may not unreasonably restrict, prohibit or withhold approval for a unit's owner to add shutters to improve the security of the unit or to reduce the costs of energy for the unit, including, without limitation, rolling shutters, that are attached to a portion of an interior or exterior window, interior or exterior door or interior or exterior wall which is not part of the unit and which is a common element or limited common element if:

(a) The portion of the window, door or wall to which the shutters are attached is adjoining the unit; and

(b) The shutters must necessarily be attached to that portion of the window, door or wall during installation to achieve the maximum benefit in improving the security of the unit or reducing the costs of energy for the unit.

5. If a unit's owner adds shutters pursuant to subsection 4, the unit's owner is responsible for the maintenance of the shutters.

6. For the purposes of subsection 4, a covenant, restriction or condition which does not unreasonably restrict the addition of shutters and which is contained in the governing documents of a common-interest community or a policy established by a common-interest community is enforceable so long as the covenant, restriction or condition was:

(a) In existence on July 1, 2009; or

(b) Contained in the governing documents in effect on the close of escrow of the first sale of a unit in the common-interest community.

7. A unit's owner may not add to the unit a system that uses wind energy as described in subparagraph 4 of paragraph (c) of subsection 2 unless the unit's owner first obtains the written consent of each owner of property within 300 feet of any boundary of the unit.

Sec. 3. NRS 116.3102 is hereby amended to read as follows:

116.3102 1. Except as otherwise provided in this section, and subject to the provisions of the declaration, the association may do any or all of the following:

(a) Adopt and amend bylaws, rules and regulations.

(b) Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for common expenses from the units' owners.

(c) Hire and discharge managing agents and other employees, agents and independent contractors.

(d) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more units' owners on matters affecting the common-interest community.

(e) Make contracts and incur liabilities. Any contract between the association and a private entity for the furnishing of goods or services must not include a provision granting the private entity the right of first refusal with respect to extension or renewal of the contract.

(f) Regulate the use, maintenance, repair, replacement and modification of common elements.

(g) Cause additional improvements to be made as a part of the common elements.

(h) Acquire, hold, encumber and convey in its own name any right, title or interest to real estate or personal property, but:

(1) Common elements in a condominium or planned community may be conveyed or subjected to a security interest only pursuant to NRS 116.3112; and

(2) Part of a cooperative may be conveyed, or all or part of a cooperative may be subjected to a security interest, only pursuant to NRS 116.3112.

(i) Grant easements, leases, licenses and concessions through or over the common elements.

(j) Impose and receive any payments, fees or charges for the use, rental or operation of the common elements, other than limited common elements described in subsections 2 and 4 of NRS 116.2102, and for services provided to the units' owners, including, without limitation, any services provided pursuant to NRS 116.310312.

(k) Impose **collection costs and** charges for late payment of assessments pursuant to NRS 116.3115.

(l) Impose construction penalties when authorized pursuant to NRS 116.310305.

(m) Impose reasonable fines for violations of the governing documents of the association only if the association complies with the requirements set forth in NRS 116.31031.

(n) Impose reasonable charges for the preparation and recordation of any amendments to the declaration or any statements of unpaid assessments, and impose reasonable fees, not to exceed the amounts authorized by NRS 116.4109, for preparing and furnishing the documents and certificate required by that section.

(o) Provide for the indemnification of its officers and executive board and maintain directors' and officers' liability insurance.

(p) Assign its right to future income, including the right to receive assessments for common expenses, but only to the extent the declaration expressly so provides.

(q) Exercise any other powers conferred by the declaration or bylaws.

(r) Exercise all other powers that may be exercised in this State by legal entities of the same type as the association.

(s) Direct the removal of vehicles improperly parked on property owned or leased by the association, as authorized pursuant to NRS 487.038, or improperly parked on any road, street, alley or other thoroughfare within the common-interest community in violation of the governing documents. In addition to complying with the requirements of NRS 487.038 and any requirements in the governing documents, if ~~for~~ **any vehicle, regardless of the person who owns the vehicle**, is improperly parked as described in this paragraph, the association must post written notice in a conspicuous place on the vehicle or provide oral or written notice to the owner or operator of the vehicle at least 48 hours before the association may direct the removal of the vehicle, unless the vehicle:

(1) Is blocking a fire hydrant ~~or~~ **or** fire lane ; ~~for parking space designated for the handicapped;~~ or

(2) Poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community.

(t) Exercise any other powers necessary and proper for the governance and operation of the association.

2. The declaration may not impose limitations on the power of the association to deal with the declarant which are more restrictive than the limitations imposed on the power of the association to deal with other persons.

3. Notwithstanding any provision of this chapter or the governing documents to the contrary, an association may not impose any assessment pursuant to this chapter or the governing documents on the owner of any property in the common-interest community that is exempt from taxation pursuant to NRS 361.125. For the purposes of this subsection, "assessment" does not include any charge for any utility services, including, without limitation, telecommunications, broadband communications, cable television, electricity, natural gas, sewer services, garbage collection, water or for any other service which is delivered to and used or consumed directly by the property in the common-interest community that is exempt from taxation pursuant to NRS 361.125.

Sec. 4. NRS 116.3103 is hereby amended to read as follows:

116.3103 1. Except as otherwise provided in the declaration, the bylaws, this section or other provisions of this chapter, the executive board may act in all instances on behalf of the association. In the performance of their duties, the officers and members of the executive board are fiduciaries and shall act on an informed basis, in good faith and in the honest belief that their actions are in the best interest of the association. The members of the executive board are required to exercise the ordinary and reasonable care of directors of a corporation, subject to the business-judgment rule.

2. The executive board may not act on behalf of the association to amend the declaration, to terminate the common-interest community, or to elect members of the executive board or determine their qualifications, powers and duties or terms of office, but the executive board may fill vacancies in its membership for the unexpired portion of any term ***if the executive board is able to obtain a quorum pursuant to subsection 3 of NRS 116.3109*** unless the governing documents provide that a vacancy on the executive board must be filled by a vote of the membership of the association. ***If the executive board is authorized to fill vacancies in its membership pursuant to this subsection, the executive board may not appoint to the executive board a person who has been removed from the executive board pursuant to NRS 116.31036 within the immediately preceding 6 years.***

3. ***Notwithstanding the provisions of NRS 116.31175, 116.31177 and 116.3118, upon the request of a member of the executive board, the association shall make available to the member of the executive board, at no charge, the books, records and other papers of the executive board and the association, including, without limitation, records, invoices, contracts, agreements, letters of instruction issued by the Division, correspondence between a unit's owner and the community manager, notices of violations, financial records, bank statements, personnel records, employment contracts, reserve studies, notices of delinquent assessments and notices of default and election to sell mailed pursuant to NRS 116.31162, architectural plans and specifications submitted by a unit's owner, minutes of executive sessions of the executive board, voice recordings and any other book, record or paper created by the executive board or the association, its agents or a member of the executive board acting in the course and scope of his or her duties as a member of the executive board.***

4. ***If the Commission, a mediator or an arbitrator who conducts a mediation or arbitration pursuant to NRS 38.300 to 38.360, inclusive, or a court finds that the executive board has committed a violation of any provision of the governing documents, this chapter, any regulation adopted pursuant thereto or any order of the Commission or a hearing panel, the executive board must notify the units' owners of the findings by mailing a statement of the findings to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by a unit's owner.***

5. ***Notwithstanding any provision of this chapter or the governing documents, if the executive board is unable to obtain a quorum pursuant to subsection 3 of NRS 116.3109 because of vacancies on the executive board, the association must, within 30 days, hold a meeting of the units' owners for the purpose of conducting an election to fill such vacancies as necessary to provide a quorum for the executive board. The meeting and election must be conducted in the following manner:***

(a) Not later than 10 days in advance of the meeting, the secretary or other officer specified in the bylaws shall cause notice of the meeting to be

hand-delivered, sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner or, if the association offers to send notice by electronic mail, sent by electronic mail at the request of the unit's owner to an electronic mail address designated in writing by the unit's owner. The notice of the meeting must state the time and place of the meeting and that the meeting is being held for the purpose of filling vacancies on the executive board. The notice must include notification of the right of a unit's owner to:

(1) Have a copy of the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

(2) Speak to the association regarding the election to fill vacancies on the executive board.

(b) At the meeting:

(1) A quorum of the units' owners is not required for the nomination of any candidate to fill a vacancy on the executive board or for the election to fill the vacancy.

(2) A units' owner may attend the meeting in person or by proxy. The provisions of NRS 116.311 apply to the use of proxies at the meeting.

(3) The units' owners present in person or by proxy shall nominate candidates to fill such vacancies on the executive board as are necessary to create a quorum for the executive board.

(4) After nominations are taken, the election to fill a vacancy must be conducted by secret written ballot.

(5) The secret written ballots must be opened and counted at the meeting and the candidate receiving a majority of the votes cast for that seat on the executive board is elected to the executive board for the period provided in paragraph (d).

(c) The provisions of subsections 8, 9, 11 and 12 of NRS 116.3108 regarding the minutes of the meeting and the recording of the meeting by a unit's owner are applicable to the meeting.

(d) Upon the election of members to the executive board pursuant to this subsection:

(1) A candidate elected to the executive board pursuant to this subsection is elected for a term of 90 days, except that if the regular election for that seat on the executive board must be conducted within 180 days after the candidate's election, the candidate is elected for the unexpired portion of the term.

(2) The executive board may not fill any vacancy remaining after the election but, within 90 days after the election pursuant to this subsection, must call for an election to be conducted pursuant to NRS 116.31034 to fill:

(I) Each remaining vacancy for which a regular election is not required within 180 days; and

(II) The seats on the executive board which were filled pursuant to this subsection, unless an election for such a seat is required to be conducted within 180 days.

6. *If, at an election conducted pursuant to subsection 5, the units' owners do not fill a sufficient number of vacancies on the executive board to provide a quorum for the executive board, the Division must apply to a court of competent jurisdiction for the appointment of a receiver for the association. In the application for the appointment of the receiver, notice of a temporary appointment of a receiver may be given to the association alone, by process as in the case of an application for a temporary restraining order or injunction. The hearing thereon may be had after 5 days' notice unless the court directs a longer or different notice and different parties. The court may appoint one or more receivers to carry out the business of the association. The members of the executive board must be preferred in making the appointment. The powers of any receiver appointed pursuant to this subsection may be continued as long as the court deems necessary and proper. At any time, for sufficient cause, the court may order the receivership terminated. Any receiver appointed pursuant to this subsection has, among the usual powers, all the functions, powers, tenure and duties to be exercised under the direction of the court as are conferred on receivers and as provided in NRS 78.635, 78.640 and 78.645, whether or not the association is insolvent. Such powers include, without limitation, the powers to:*

(a) Take charge of the estate and effects of the association;

(b) Appoint an agent or agents;

(c) Collect any debts and property due and belonging to the association and prosecute and defend, in the name of the association, or otherwise, any civil action as may be necessary or proper for the purposes of collecting debts and property;

(d) Perform any other act in accordance with the governing documents of the association and this chapter that may be necessary for the association to carry out its obligations; and

(e) By injunction, restrain the association from exercising any of its powers or doing business in any way except by and through a receiver appointed by the court.

Sec. 5. NRS 116.310305 is hereby amended to read as follows:

116.310305 1. A unit's owner shall adhere to a schedule required by the association for:

(a) The completion of the design of a unit or the design of an improvement to a unit;

(b) The commencement of the construction of a unit or the construction of an improvement to a unit;

(c) The completion of the construction of a unit or the construction of an improvement to the unit; or

(d) The issuance of a permit which is necessary for the occupancy of a unit or for the use of an improvement to a unit.

2. ~~The~~ **Except as otherwise provided by subsection 3, the** association may impose and enforce a construction penalty against a unit's owner who fails to adhere to a schedule as required pursuant to subsection 1 if:

(a) The maximum amount of the construction penalty and the schedule are set forth in:

(1) The declaration;

(2) Another document related to the common-interest community that is recorded before the date on which the unit's owner acquired title to the unit; or

(3) A contract between the unit's owner and the association; and

(b) The unit's owner receives notice of the alleged violation which informs the unit's owner that he or she has a right to a hearing on the alleged violation.

3. **The association may not impose or enforce a construction penalty against a unit's owner pursuant to subsection 2 if the failure to adhere to the schedule as required pursuant to subsection 1 is caused by circumstances beyond the control of the unit's owner.**

4. For the purposes of this chapter, a construction penalty is not a fine.

Sec. 6. NRS 116.31031 is hereby amended to read as follows:

116.31031 1. Except as otherwise provided in this section, if a unit's owner or a tenant or an invitee of a unit's owner or a tenant violates any provision of the governing documents of an association, the executive board may, if the governing documents so provide:

(a) Prohibit, for a reasonable time, the unit's owner or the tenant or the invitee of the unit's owner or the tenant from:

(1) Voting on matters related to the common-interest community.

(2) Using the **specific** common ~~elements~~ **element to which the violation relates, if the violation relates to a common element.** The provisions of this subparagraph do not prohibit the **executive board from prohibiting a unit's owner from using the common elements if the unit's owner is delinquent in the payment of any assessment and do not prohibit the** unit's owner or the tenant or the invitee of the unit's owner or the tenant from using any vehicular or pedestrian ingress or egress to go to or from the unit, including any area used for parking.

(b) Impose a fine against the unit's owner or the tenant or the invitee of the unit's owner or the tenant for each violation, except that:

(1) A fine may not be imposed for a violation that is the subject of a construction penalty pursuant to NRS 116.310305; and

(2) A fine may not be imposed against a unit's owner or a tenant or invitee of a unit's owner or a tenant for a violation of the governing documents which involves a vehicle and which is committed by a person

who is delivering goods to, or performing services for, the unit's owner or tenant or invitee of the unit's owner or the tenant.

➡ If the violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community, the amount of the fine must be commensurate with the severity of the violation and must be determined by the executive board in accordance with the governing documents. If the violation does not pose an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community, the amount of the fine must be commensurate with the severity of the violation and must be determined by the executive board in accordance with the governing documents, but the amount of the fine must not exceed \$100 for each violation or a total amount of \$1,000, whichever is less.

During the lifetime of the unit's owner and any successor in interest who is the spouse of the unit's owner, the total amount of fines imposed against the unit's owner and the successor in interest must not exceed \$2,500. The limitations on the amount of the fine do not apply to any charges or costs that may be collected by the association pursuant to this section if the fine becomes past due.

2. ***Notwithstanding any other provision of this chapter, the executive board may not impose a fine pursuant to subsection 1 against a unit's owner or a tenant or an invitee of a unit's owner or a tenant if the executive board of another association has imposed a fine against the unit's owner, tenant or invitee for the same action, or failure to act, on the part of the unit's owner, tenant or invitee.***

3. The executive board may not impose a fine pursuant to subsection 1 against a unit's owner for a violation of any provision of the governing documents of an association committed by an invitee of the unit's owner or the tenant unless the unit's owner:

- (a) Participated in or authorized the violation;
- (b) Had prior notice of the violation; or
- (c) Had an opportunity to stop the violation and failed to do so.

~~3.1~~ 4. The executive board may not impose a fine pursuant to subsection 1 unless:

(a) Not less than 30 days before the ***alleged*** violation, the unit's owner and, if different, the person against whom the fine will be imposed had been provided with written notice of the applicable provisions of the governing documents that form the basis of the ***alleged*** violation; and

(b) Within a reasonable time after the discovery of the ***alleged*** violation, the unit's owner and, if different, the person against whom the fine will be imposed has been provided with:

(1) Written notice specifying the details of the ***alleged*** violation, ***the location of the alleged violation***, the amount of the fine, and the date, time and location for a hearing on the violation; and

(2) A reasonable opportunity to contest the ***alleged*** violation at the hearing.

↪ For the purposes of this subsection, a unit's owner shall not be deemed to have received written notice unless written notice is mailed to the address of the unit and, if different, to a mailing address specified by the unit's owner.

~~{4.}~~ 5. The executive board must schedule the date, time and location for the hearing on the ***alleged*** violation so that the unit's owner and, if different, the person against whom the fine will be imposed is provided with a reasonable opportunity to prepare for the hearing and to be present at the hearing.

~~{5.}~~ ***A hearing may be postponed if the unit's owner or, if different, the person against whom the fine will be imposed presents to the executive board or an officer of the association medical documentation indicating that he or she is unable to participate in the hearing for medical reasons. At the hearing on the alleged violation, the unit's owner and, if different, the person against whom the fine will be imposed may be represented by an attorney or any other representative. Notwithstanding any other provision of this chapter, the cost of an attorney representing the association or executive board at a hearing pursuant to this section may not be charged to the unit's owner or other person against whom the fine will be imposed.***

6. The executive board must hold a hearing before it may impose the fine, unless the fine is paid before the hearing or unless the unit's owner and, if different, the person against whom the fine will be imposed:

- (a) Executes a written waiver of the right to the hearing; or
- (b) Fails to appear at the hearing after being provided with proper notice of the hearing.

~~{6.} If a fine is imposed pursuant to subsection 1 and the violation is not cured within 14 days, or within any longer period that may be established by the executive board, the violation shall be deemed a continuing violation. Thereafter, the executive board may impose an additional fine for the violation for each 7 day period or portion thereof that the violation is not cured. Any additional fine may be imposed without notice and an opportunity to be heard.~~

7. If the governing documents so provide, the executive board may appoint a committee, with not less than three members, to conduct hearings on violations and to impose fines pursuant to this section. While acting on behalf of the executive board for those limited purposes, the committee and its members are entitled to all privileges and immunities and are subject to all duties and requirements of the executive board and its members.

8. A member of the executive board shall not participate in any hearing or cast any vote relating to a fine imposed pursuant to subsection 1 if the member has not paid all assessments which are due to the association by the member. If a member of the executive board:

- (a) Participates in a hearing in violation of this subsection, any action taken at the hearing is void.

(b) Casts a vote in violation of this subsection, the vote is void.

9. *If a unit's owner or, if different, a person against whom a fine was imposed pursuant subsection 1 files a claim with the Division pursuant to NRS 38.320 which alleges that the executive board violated a provision of the governing documents in connection with the imposition of the fine, the imposition and collection of the fine is stayed until the conclusion of mediation or, if applicable, the issuance of an arbitration decision. If a unit's owner or, if different, a person against whom a fine was imposed pursuant to subsection 1 files an affidavit with the Division pursuant to NRS 116.760 which alleges that the executive board violated a provision of the governing documents in connection with the imposition of the fine, the imposition and collection of the fine is stayed until the resolution of the matter pursuant to subsection 1 of NRS 116.785, the issuance of a decision by the Division to not file a formal complaint pursuant to subsection 5 of NRS 116.765 or the final decision of the Commission, whichever is applicable.*

10. The provisions of this section establish the minimum procedural requirements that the executive board must follow before it may impose a fine. The provisions of this section do not preempt any provisions of the governing documents that provide greater procedural protections.

~~{10.}~~ 11. Any past due fine must not bear interest, but may include any costs incurred by the association during a civil action to enforce the payment of the past due fine.

~~{11.}~~ 12. If requested by a person upon whom a fine was imposed, not later than 60 days after receiving any payment of a fine, an association shall provide to the person upon whom the fine was imposed a statement of the remaining balance owed.

Sec. 7. NRS 116.310312 is hereby amended to read as follows:

116.310312 1. A person who holds a security interest in a unit must provide the association with the person's contact information as soon as reasonably practicable, but not later than 30 days after the person:

(a) Files an action for recovery of a debt or enforcement of any right secured by the unit pursuant to NRS 40.430; or

(b) Records or has recorded on his or her behalf a notice of a breach of obligation secured by the unit and the election to sell or have the unit sold pursuant to NRS 107.080.

2. If an action or notice described in subsection 1 has been filed or recorded regarding a unit and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may, but is not required to, enter the grounds of the unit, whether or not the unit is vacant, to take any of the following actions if the unit's owner refuses or fails to take any action or comply with any requirement imposed on the unit's owner within the time specified by the association as a result of the hearing:

(a) Maintain the exterior of the unit in accordance with the standards set forth in the governing documents, including, without limitation, any provisions governing maintenance, standing water or snow removal. ***The authorization to enter the grounds of the unit for the purposes set forth in this paragraph continues until the unit's owner or an agent of the unit's owner performs the maintenance necessary to maintain the exterior of the unit in accordance with the standards set forth in the governing documents.***

(b) Remove or abate a public nuisance on the exterior of the unit which:

- (1) Is visible from any common area of the community or public streets;
- (2) Threatens the health or safety of the residents of the common-interest community;
- (3) Results in blighting or deterioration of the unit or surrounding area; and

(4) Adversely affects the use and enjoyment of nearby units.

3. If a unit is vacant and the association has provided the unit's owner with notice and an opportunity for a hearing in the manner provided in NRS 116.31031, the association, including its employees, agents and community manager, may enter the grounds of the unit to maintain the exterior of the unit or abate a public nuisance as described in subsection 2 if the unit's owner refuses or fails to do so.

4. The association may order that the costs of any maintenance or abatement conducted pursuant to subsection 2 or 3, including, without limitation, reasonable inspection fees, notification and collection costs and interest, be charged against the unit. The association shall keep a record of such costs and interest charged against the unit and has a lien on the unit for any unpaid amount of the charges. The lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

5. A lien described in subsection 4 bears interest from the date that the charges become due at a rate determined pursuant to NRS 17.130 until the charges, including all interest due, are paid.

6. ~~Except as otherwise provided in this subsection,~~ **Subject to the limitations provided in NRS 116.3116,** a lien described in subsection 4 is prior and superior to all liens, claims, encumbrances and titles other than the liens described in paragraphs (a) and (c) of subsection 2 of NRS 116.3116. ~~If the federal regulations of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a shorter period of priority for the lien, the period during which the lien is prior and superior to other security interests shall be determined in accordance with those federal regulations. Notwithstanding the federal regulations, the period of priority of the lien must not be less than the 6 months immediately preceding the institution of an action to enforce the lien.~~

7. A person who purchases or acquires a unit at a foreclosure sale pursuant to NRS 40.430 or a trustee's sale pursuant to NRS 107.080 is bound by the governing documents of the association and shall maintain the exterior

of the unit in accordance with the governing documents of the association. Such a unit may only be removed from a common-interest community in accordance with the governing documents pursuant to this chapter.

8. Notwithstanding any other provision of law, an association, its directors or members of the executive board, employees, agents or community manager who enter the grounds of a unit pursuant to this section are not liable for trespass.

9. As used in this section:

(a) "Exterior of the unit" includes, without limitation, all landscaping outside of a unit and the exterior of all property exclusively owned by the unit owner.

(b) "Vacant" means a unit:

(1) Which reasonably appears to be unoccupied;

(2) On which the owner has failed to maintain the exterior to the standards set forth in the governing documents the association; and

(3) On which the owner has failed to pay assessments for more than 60 days.

Sec. 8. NRS 116.310313 is hereby amended to read as follows:

116.310313 1. ~~{An} {If the governing documents authorize an} If,~~ **pursuant to subsection 4 of NRS 116.31151, an** association ~~{may} is~~ **authorized to** charge a unit's owner ~~{reasonable fees to cover} {for}~~ the costs of collecting ~~{any} a~~ past due obligation ~~[. The Commission shall adopt regulations establishing the amount of the fees that an association may charge pursuant to this section.] , the {governing documents may not authorize the association to charge the unit's owner for any costs of collecting other than costs relating to filing, recording, title searches, bankruptcy searches and postage. The}~~ **rate established by the association for the costs of collecting the past due obligation:**

(a) ~~May not exceed { \$40, }~~ **\$50, if the outstanding balance is less than \$200.**

(b) ~~May not exceed \$75, if the outstanding balance is \$200 or more but is less than \$500.~~

(c) ~~May not exceed { \$125, }~~ **\$100, if the outstanding balance is \$500 or more but is less than \$1,000.**

(d) ~~May not exceed { \$175, }~~ **\$250, if the outstanding balance is \$1,000 or more but is less than \$5,000.**

(e) ~~May not exceed { \$200, }~~ **\$500, if the outstanding balance is \$5,000 or more.**

2. **An association or a community manager may not charge a unit's owner, or require a unit's owner to pay, a fee of more than:**

(a) **Fifty dollars for transferring an account for the collection of a past due obligation to another person; and**

(b) **Twenty-five dollars for changing the name of the unit's owner on the account for the collection of a past due obligation.**

3. An association may not transfer an account for the collection of a past due fine for a violation of the governing documents to any person other than an officer or employee of the association or the community manager. If an association transfers an account for the collection of a past due fine for a violation of the governing documents to the community manager of the association, the community manager may not transfer the account to any person other than an officer or employee of the community manager.

4. Each written attempt to collect from a unit's owner a past due obligation which is more than 60 days past due in which the association or its authorized agent expresses an intent to engage in further collection activity if the unit's owner fails to pay the total amount due must include:

(a) A statement of the current amount due; and

(b) A schedule of the amount of the fees, costs, charges or other amounts which may be charged to the unit's owner if the unit's owner fails to pay the total amount due.

↪ For the purposes of this subsection, providing a standard monthly statement or a coupon book is not an attempt to collect a past due obligation.

5. The provisions of this section apply to any costs of collecting a past due obligation charged to a unit's owner, regardless of whether the past due obligation is collected by the association itself or by any person acting on behalf of the association, including, without limitation, an officer or employee of the association, a community manager or a collection agency.

~~12.1~~ 6. As used in this section:

~~(a) "Costs of collecting" includes any fee, charge or cost, by whatever name, including, without limitation, any collection fee, filing fee, recording fee, fee related to the preparation, recording or delivery of a lien or lien rescission, title search lien fee, bankruptcy search fee, referral fee, fee for postage or delivery and any other fee or cost that an association charges a unit's owner for the investigation, enforcement or collection of a past due obligation. The term does not include any costs incurred by an association if a lawsuit is filed to enforce any past due obligation or any costs awarded by a court.~~

~~(b)~~ "Obligation" means any assessment, fine, construction penalty, fee, charge or interest levied or imposed against a unit's owner pursuant to any provision of this chapter or the governing documents.

(b) "Outstanding balance" means the amount of a past due obligation that remains unpaid before any interest, charges for late payment or costs of collecting the past due obligation are added.

Sec. 9. NRS 116.31034 is hereby amended to read as follows:

116.31034 1. Except as otherwise provided in subsection 5 of NRS 116.212, not later than the termination of any period of declarant's control, the units' owners shall elect an executive board of at least three members, all of whom must be units' owners. The executive board shall elect

the officers of the association. Unless the governing documents provide otherwise, the officers of the association are ~~not~~ required to be units' owners. The members of the executive board and the officers of the association shall take office upon election. ***If two persons reside together in a unit, are married to each other or are related by blood, adoption or marriage, within the first degree of consanguinity or affinity, and if one of those persons is an officer of the association or a member of the executive board, the other person may not be an officer of the association or a member of the executive board.***

2. The term of office of a member of the executive board may not exceed 3 years, except for members who are appointed by the declarant. Unless the governing documents provide otherwise, there is no limitation on the number of terms that a person may serve as a member of the executive board.

3. The governing documents of the association must provide for terms of office that are staggered in such a manner that, to the extent possible, an equal number of members of the executive board are elected at each election. The provisions of this subsection do not apply to:

(a) Members of the executive board who are appointed by the declarant; and

(b) Members of the executive board who serve a term of 1 year or less.

4. Not less than 30 days before the preparation of a ballot for the election of members of the executive board, the secretary or other officer specified in the bylaws of the association shall cause notice to be given to each unit's owner of the unit's owner's eligibility to serve as a member of the executive board. Each unit's owner who is qualified to serve as a member of the executive board may have his or her name placed on the ballot along with the names of the nominees selected by the members of the executive board or a nominating committee established by the association.

5. Before the secretary or other officer specified in the bylaws of the association causes notice to be given to each unit's owner of his or her eligibility to serve as a member of the executive board pursuant to subsection 4, the executive board may determine that if, at the closing of the prescribed period for nominations for membership on the executive board, the number of candidates nominated for membership on the executive board is equal to or less than the number of members to be elected to the executive board at the election, then the secretary or other officer specified in the bylaws of the association will cause notice to be given to each unit's owner informing each unit's owner that:

(a) The association will not prepare or mail any ballots to units' owners pursuant to this section and the nominated candidates shall be deemed to be duly elected to the executive board unless:

(1) A unit's owner who is qualified to serve on the executive board nominates himself or herself for membership on the executive board by submitting a nomination to the executive board within 30 days after the notice provided by this subsection; and

(2) The number of units' owners who submit such a nomination causes the number of candidates nominated for membership on the executive board to be greater than the number of members to be elected to the executive board.

(b) Each unit's owner who is qualified to serve as a member of the executive board may nominate himself or herself for membership on the executive board by submitting a nomination to the executive board within 30 days after the notice provided by this subsection.

6. If the notice described in subsection 5 is given and if, at the closing of the prescribed period for nominations for membership on the executive board described in subsection 5, the number of candidates nominated for membership on the executive board is equal to or less than the number of members to be elected to the executive board, then:

(a) The association will not prepare or mail any ballots to units' owners pursuant to this section;

(b) The nominated candidates shall be deemed to be duly elected to the executive board not later than 30 days after the date of the closing of the period for nominations described in subsection 5; and

(c) The association shall send to each unit's owner notification that the candidates nominated have been elected to the executive board.

7. If the notice described in subsection 5 is given and if, at the closing of the prescribed period for nominations for membership on the executive board described in subsection 5, the number of candidates nominated for membership on the executive board is greater than the number of members to be elected to the executive board, then the association shall:

(a) Prepare and mail ballots to the units' owners pursuant to this section; and

(b) Conduct an election for membership on the executive board pursuant to this section.

8. Each person who is nominated as a candidate for a member of the executive board pursuant to subsection 4 or 5 must:

(a) Make a good faith effort to disclose any financial, business, professional or personal relationship or interest that would result or would appear to a reasonable person to result in a potential conflict of interest for the candidate if the candidate were to be elected to serve as a member of the executive board; and

(b) Disclose whether the candidate is a member in good standing. For the purposes of this paragraph, a candidate shall not be deemed to be in "good standing" if the candidate has any unpaid and past due assessments or construction penalties that are required to be paid to the association.

➡ The candidate must make all disclosures required pursuant to this subsection in writing to the association with his or her candidacy information. Except as otherwise provided in this subsection, the association shall distribute the disclosures, on behalf of the candidate, to each member of the association with the ballot or, in the event ballots are not prepared and

mailed pursuant to subsection 6, in the next regular mailing of the association. The association is not obligated to distribute any disclosure pursuant to this subsection if the disclosure contains information that is believed to be defamatory, libelous or profane.

9. Unless a person is appointed by the declarant:

(a) A person may not be a member of the executive board or an officer of the association if the person, the person's spouse or the person's parent or child, by blood, marriage or adoption, performs the duties of a community manager for that association.

(b) A person may not be a member of the executive board of a master association or an officer of that master association if the person, the person's spouse or the person's parent or child, by blood, marriage or adoption, performs the duties of a community manager for:

(1) That master association; or

(2) Any association that is subject to the governing documents of that master association.

10. An officer, employee, agent or director of a corporate owner of a unit, a trustee or designated beneficiary of a trust that owns a unit, a partner of a partnership that owns a unit, a member or manager of a limited-liability company that owns a unit, and a fiduciary of an estate that owns a unit may be an officer of the association or a member of the executive board. In all events where the person serving or offering to serve as an officer of the association or a member of the executive board is not the record owner, the person shall file proof in the records of the association that:

(a) The person is associated with the corporate owner, trust, partnership, limited-liability company or estate as required by this subsection; and

(b) Identifies the unit or units owned by the corporate owner, trust, partnership, limited-liability company or estate.

11. Except as otherwise provided in subsection 6 or NRS 116.31105, the election of any member of the executive board must be conducted by secret written ballot in the following manner:

(a) The secretary or other officer specified in the bylaws of the association shall cause a secret ballot and a return envelope to be sent, prepaid by United States mail, to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner.

(b) Each unit's owner must be provided with at least 15 days after the date the secret written ballot is mailed to the unit's owner to return the secret written ballot to the association.

(c) A quorum is not required for the election of any member of the executive board.

(d) Only the secret written ballots that are returned to the association may be counted to determine the outcome of the election.

(e) The secret written ballots must be opened and counted at a meeting of the association. A quorum is not required to be present when the secret written ballots are opened and counted at the meeting.

(f) The incumbent members of the executive board and each person whose name is placed on the ballot as a candidate for a member of the executive board may not possess, be given access to or participate in the opening or counting of the secret written ballots that are returned to the association before those secret written ballots have been opened and counted at a meeting of the association.

12. An association shall not adopt any rule or regulation that has the effect of prohibiting or unreasonably interfering with a candidate in the candidate's campaign for election as a member of the executive board, except that the candidate's campaign may be limited to 90 days before the date that ballots are required to be returned to the association. A candidate may request that the secretary or other officer specified in the bylaws of the association send, 30 days before the date of the election and at the association's expense, to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner a candidate informational statement. The candidate informational statement:

- (a) Must be no longer than a single, typed page;
- (b) Must not contain any defamatory, libelous or profane information; and
- (c) May be sent with the secret ballot mailed pursuant to subsection 11 or in a separate mailing.

↪ The association and its directors, officers, employees and agents are immune from criminal or civil liability for any act or omission which arises out of the publication or disclosure of any information related to any person and which occurs in the course of carrying out any duties required pursuant to this subsection.

13. Each member of the executive board shall, within 90 days after his or her appointment or election, certify in writing to the association, on a form prescribed by the Administrator, that the member has read and understands the governing documents of the association and the provisions of this chapter to the best of his or her ability. The Administrator ~~may~~ **shall** require the association to submit a copy of the certification of each member of the executive board of that association at the time the association registers with the Ombudsman pursuant to NRS 116.31158.

14. Within 3 months after his or her election or appointment to the executive board, a member of the executive board shall successfully complete 2 hours of instruction in a course of education relating to the duties of a member of the executive board. Every year thereafter during which the member of the executive board is a member of the executive board, he or she shall complete 2 hours of instruction in such a course of education.

Sec. 10. NRS 116.31038 is hereby amended to read as follows:

116.31038 In addition to any applicable requirement set forth in NRS 116.310395, within 30 days after units' owners other than the declarant may elect a majority of the members of the executive board, the declarant shall deliver to the association all property of the units' owners and of the association held by or controlled by the declarant, including:

1. The original or a certified copy of the recorded declaration as amended, the articles of incorporation, articles of association, articles of organization, certificate of registration, certificate of limited partnership, certificate of trust or other documents of organization for the association, the bylaws, minute books and other books and records of the association and any rules or regulations which may have been adopted.

2. An accounting for money of the association and audited financial statements for each fiscal year and any ancillary period from the date of the last audit of the association to the date the period of the declarant's control ends. The financial statements must fairly and accurately report the association's financial position. The declarant shall pay the costs of the ancillary audit. The ancillary audit must be delivered within 210 days after the date the period of the declarant's control ends.

3. A complete study of the reserves of the association, conducted by a person who is registered as a reserve study specialist pursuant to chapter 116A of NRS. At the time the control of the declarant ends, the declarant shall:

(a) Except as otherwise provided in this paragraph, deliver to the association a reserve account that contains the declarant's share of the amounts then due, and control of the account. If the declaration was recorded before October 1, 1999, and, at the time the control of the declarant ends, the declarant has failed to pay his or her share of the amounts due, the executive board shall authorize the declarant to pay the deficiency in installments for a period of 3 years, unless the declarant and the executive board agree to a shorter period.

(b) Disclose, in writing, **to the units' owners** the amount by which the declarant has subsidized the association's dues on a per unit or per lot basis.

4. The association's money or control thereof.

5. All of the declarant's tangible personal property that has been represented by the declarant as property of the association or, unless the declarant has disclosed in the public offering statement that all such personal property used in the common-interest community will remain the declarant's property, all of the declarant's tangible personal property that is necessary for, and has been used exclusively in, the operation and enjoyment of the common elements, and inventories of these properties.

6. A copy of any plans and specifications used in the construction of the improvements in the common-interest community which were completed within 2 years before the declaration was recorded.

7. All insurance policies then in force, in which the units' owners, the association, or its directors and officers are named as insured persons.

8. Copies of any certificates of occupancy that may have been issued with respect to any improvements comprising the common-interest community other than units in a planned community.

9. Any renewable permits and approvals issued by governmental bodies applicable to the common-interest community which are in force and any other permits and approvals so issued and applicable which are required by law to be kept on the premises of the community.

10. Written warranties of the contractor, subcontractors, suppliers and manufacturers that are still effective.

11. A roster of owners and mortgagees of units and their addresses and telephone numbers, if known, as shown on the declarant's records.

12. Contracts of employment in which the association is a contracting party.

13. Any contract for service in which the association is a contracting party or in which the association or the units' owners have any obligation to pay a fee to the persons performing the services.

Sec. 11. NRS 116.3108 is hereby amended to read as follows:

116.3108 1. A meeting of the units' owners must be held at least once each year. If the governing documents do not designate an annual meeting date of the units' owners, a meeting of the units' owners must be held 1 year after the date of the last meeting of the units' owners. If the units' owners have not held a meeting for 1 year, a meeting of the units' owners must be held on the following March 1.

2. Special meetings of the units' owners may be called by the president, by a majority of the executive board or by units' owners constituting at least 10 percent, or any lower percentage specified in the bylaws, of the total number of voting members of the association. The same number of units' owners may also call a removal election pursuant to NRS 116.31036. To call a special meeting or a removal election, the units' owners must submit a written petition which is signed by the required percentage of the total number of voting members of the association pursuant to this subsection and which is mailed, return receipt requested, or served by a process server to the executive board or the community manager for the association. If the petition calls for a special meeting, the executive board shall set the date for the special meeting so that the special meeting is held not less than 15 days or more than 60 days after the date on which the petition is received. If the petition calls for a removal election and:

(a) The voting rights of the owners of time shares will be exercised by delegates or representatives as set forth in NRS 116.31105, the executive board shall set the date for the removal election so that the removal election is held not less than 15 days or more than 60 days after the date on which the petition is received; or

(b) The voting rights of the units' owners will be exercised through the use of secret written ballots pursuant to NRS 116.31036, the secret written ballots for the removal election must be sent in the manner required by

NRS 116.31036 not less than 15 days or more than 60 days after the date on which the petition is received, and the executive board shall set the date for the meeting to open and count the secret written ballots so that the meeting is held not more than 15 days after the deadline for returning the secret written ballots.

↪ The association shall not adopt any rule or regulation which prevents or unreasonably interferes with the collection of the required percentage of signatures for a petition pursuant to this subsection.

3. Not less than 15 days or more than 60 days in advance of any meeting of the units' owners, the secretary or other officer specified in the bylaws shall cause notice of the meeting to be hand-delivered, sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner or, if the association offers to send notice by electronic mail, sent by electronic mail at the request of the unit's owner to an electronic mail address designated in writing by the unit's owner. The notice of the meeting must state the time and place of the meeting and include a copy of the agenda for the meeting. The notice must include notification of the right of a unit's owner to:

(a) Have a copy of the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

(b) Speak to the association or executive board, unless the executive board is meeting in executive session.

4. The agenda for a meeting of the units' owners must consist of:

(a) A clear and complete statement of the topics scheduled to be considered during the meeting, including, without limitation, any proposed amendment to the declaration or bylaws, any fees or assessments to be imposed or increased by the association, any budgetary changes and any proposal to remove an officer of the association or member of the executive board.

(b) A list describing the items on which action may be taken and clearly denoting that action may be taken on those items. In an emergency, the units' owners may take action on an item which is not listed on the agenda as an item on which action may be taken.

(c) A period devoted to comments by units' owners and discussion of those comments. Except in emergencies, no action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to paragraph (b).

5. ***Before the agenda is mailed to the units' owners pursuant to subsection 3, a unit's owner may request items to be placed on the agenda and any requested items must be included on the agenda.***

6. If the association adopts a policy imposing fines for any violations of the governing documents of the association, the secretary or other officer specified in the bylaws shall prepare and cause to be hand-delivered or sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner, a schedule of the fines that may be imposed for those violations.

~~{6-}~~ 7. ***A guest of a unit's owner must be allowed to attend any meeting of the units' owners.***

8. The secretary or other officer specified in the bylaws shall cause minutes to be recorded or otherwise taken at each meeting of the units' owners. Not more than 30 days after each such meeting, the secretary or other officer specified in the bylaws shall cause the minutes or a summary of the minutes of the meeting to be made available to the units' owners. Except as otherwise provided in this subsection, a copy of the minutes or a summary of the minutes must be provided to any unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

~~{7-}~~ 9. Except as otherwise provided in subsection ~~{8-}~~ 10, the minutes of each meeting of the units' owners must include:

- (a) The date, time and place of the meeting;
- (b) The substance of all matters proposed, discussed or decided at the meeting; and
- (c) The substance of remarks made by any unit's owner at the meeting if the unit's owner requests that the minutes reflect his or her remarks or, if the unit's owner has prepared written remarks, a copy of his or her prepared remarks if the unit's owner submits a copy for inclusion.

~~{8-}~~ 10. The executive board may establish reasonable limitations on materials, remarks or other information to be included in the minutes of a meeting of the units' owners.

~~{9-}~~ 11. The association shall maintain the minutes of each meeting of the units' owners until the common-interest community is terminated.

~~{10-}~~ 12. A unit's owner may record on audiotape, ***videotape*** or any other means of sound ***or video*** reproduction a meeting of the units' owners if the unit's owner, before recording the meeting, provides notice of his or her intent to record the meeting to the other units' owners who are in attendance at the meeting.

~~{11-}~~ 13. The units' owners may approve, at the annual meeting of the units' owners, the minutes of the prior annual meeting of the units' owners and the minutes of any prior special meetings of the units' owners. A quorum is not required to be present when the units' owners approve the minutes.

~~{12-}~~ 14. As used in this section, "emergency" means any occurrence or combination of occurrences that:

- (a) Could not have been reasonably foreseen;

(b) Affects the health, welfare and safety of the units' owners or residents of the common-interest community;

(c) Requires the immediate attention of, and possible action by, the executive board; and

(d) Makes it impracticable to comply with the provisions of subsection 3 or 4.

Sec. 12. NRS 116.31083 is hereby amended to read as follows:

116.31083 1. A meeting of the executive board must be held at least once every quarter, and not less than once every 100 days and must be held at a time other than during standard business hours , **but not before 6 p.m.**, at least twice annually.

2. Except in an emergency or unless the bylaws of an association require a longer period of notice, the secretary or other officer specified in the bylaws of the association shall, not less than 10 days before the date of a meeting of the executive board, cause notice of the meeting to be given to the units' owners. Such notice must be:

(a) Sent prepaid by United States mail to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner;

(b) If the association offers to send notice by electronic mail, sent by electronic mail at the request of the unit's owner to an electronic mail address designated in writing by the unit's owner; or

(c) Published in a newsletter or other similar publication that is circulated to each unit's owner.

3. In an emergency, the secretary or other officer specified in the bylaws of the association shall, if practicable, cause notice of the meeting to be sent prepaid by United States mail to the mailing address of each unit within the common-interest community. If delivery of the notice in this manner is impracticable, the notice must be hand-delivered to each unit within the common-interest community or posted in a prominent place or places within the common elements of the association.

4. The notice of a meeting of the executive board must state the time and place of the meeting and include a copy of the agenda for the meeting or the date , **which must not be later than 5 days before the meeting**, on which and the locations where copies of the agenda may be conveniently obtained by the units' owners. The notice must include notification of the right of a unit's owner to:

(a) Have a copy of the audio recording, the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

(b) Speak to the association or executive board, unless the executive board is meeting in executive session.

5. The agenda of the meeting of the executive board must comply with the provisions of subsection 4 of NRS 116.3108. A period required to be devoted to comments by the units' owners and discussion of those comments must be scheduled for both the beginning and the end of each meeting. During the period devoted to comments by the units' owners and discussion of those comments at the beginning of each meeting, comments by the units' owners and discussion of those comments must be limited to items listed on the agenda. In an emergency, the executive board may take action on an item which is not listed on the agenda as an item on which action may be taken.

6. At least once every quarter, and not less than once every 100 days, unless the declaration or bylaws of the association impose more stringent standards, the executive board shall review, at a minimum, the following financial information at one of its meetings:

- (a) A current year-to-date financial statement of the association;
- (b) A current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget for those accounts;
- (c) A current reconciliation of the operating account of the association;
- (d) A current reconciliation of the reserve account of the association;
- (e) The latest account statements prepared by the financial institutions in which the accounts of the association are maintained; and
- (f) The current status of any civil action or claim submitted to arbitration or mediation in which the association is a party.

↪ A copy of the information described in paragraphs (a) to (f), inclusive, must be made available at no charge to each person present at the meeting. If a unit's owner requests a copy of such information, the association must provide a copy of the information in electronic format at no charge to the unit's owner.

7. The secretary or other officer specified in the bylaws shall cause each meeting of the executive board to be audio recorded and the minutes to be recorded or otherwise taken at each meeting of the executive board, but if the executive board is meeting in executive session, the meeting must not be audio recorded. Not more than 30 days after each such meeting, the secretary or other officer specified in the bylaws shall cause the audio recording of the meeting, the minutes of the meeting and a summary of the minutes of the meeting to be made available to the units' owners. Except as otherwise provided in this subsection, a copy of the audio recording, the minutes or a summary of the minutes must be provided to any unit's owner upon request, in electronic format at no charge to the unit's owner or, if the association is unable to provide the copy or summary in electronic format, in paper format at a cost not to exceed 25 cents per page for the first 10 pages, and 10 cents per page thereafter.

8. Except as otherwise provided in subsection 9 and NRS 116.31085, the minutes of each meeting of the executive board must include:

- (a) The date, time and place of the meeting;

(b) Those members of the executive board who were present and those members who were absent at the meeting;

(c) The ~~substance~~ **details** of all matters proposed, discussed or decided at the meeting;

(d) A record of each member's vote on any matter decided by vote at the meeting; and

(e) The substance of remarks made by any unit's owner who addresses the executive board at the meeting if the unit's owner requests that the minutes reflect his or her remarks or, if the unit's owner has prepared written remarks, a copy of his or her prepared remarks if the unit's owner submits a copy for inclusion.

9. The executive board may establish reasonable limitations on materials, remarks or other information to be included in the minutes of its meetings ~~to~~ **, but any limitation on the page number of such materials, remarks or information must not be less than two double-sided pages.**

10. The association shall maintain the minutes of each meeting of the executive board until the common-interest community is terminated.

11. A unit's owner may record on audiotape or any other means of sound reproduction a meeting of the executive board, unless the executive board is meeting in executive session, if the unit's owner, before recording the meeting, provides notice of his or her intent to record the meeting to the members of the executive board and the other units' owners who are in attendance at the meeting.

12. As used in this section, "emergency" means any occurrence or combination of occurrences that:

(a) Could not have been reasonably foreseen;

(b) Affects the health, welfare and safety of the units' owners or residents of the common-interest community;

(c) Requires the immediate attention of, and possible action by, the executive board; and

(d) Makes it impracticable to comply with the provisions of subsection 2 or 5.

Sec. 13. NRS 116.31085 is hereby amended to read as follows:

116.31085 1. Except as otherwise provided in this section, a unit's owner may attend any meeting of the units' owners or of the executive board and speak at any such meeting. The executive board may establish ~~reasonable limitations~~ **a limitation of not less than 3 minutes** on the time **in which** a unit's owner may speak at such a meeting. **With respect to each meeting of the units' owners and of the executive board, the association shall comply with the requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., and the regulations adopted pursuant thereto.**

2. **At a meeting of the executive board, after a discussion by the members of the executive board concerning an item for which a vote will be taken by the executive board and before such a vote, the executive board**

must provide a period devoted to comments by the units' owners on that item, but may establish a limitation of not less than 3 minutes on the time a unit's owner may speak on that item.

3. An executive board may not meet in executive session to open or consider bids for an association project as defined in NRS 116.31086, or to enter into, renew, modify, terminate or take any other action regarding a contract.

~~{3-}~~ 4. An executive board may meet in executive session only to:

(a) Consult with the attorney for the association on matters relating to proposed or pending litigation if the contents of the discussion would otherwise be governed by the privilege set forth in NRS 49.035 to 49.115, inclusive.

(b) Discuss the character, alleged misconduct, professional competence, or physical or mental health of a community manager or an employee of the association.

(c) Except as otherwise provided in subsection ~~{4-}~~ 5, discuss a violation of the governing documents, including, without limitation, the failure to pay an assessment.

(d) Discuss the alleged failure of a unit's owner to adhere to a schedule required pursuant to NRS 116.310305 if the alleged failure may subject the unit's owner to a construction penalty.

(e) Discuss an authorization to foreclose the association's lien by sale pursuant to paragraph (b) of subsection 1 of NRS 116.31162. The vote of each member of the executive board concerning whether to authorize the foreclosure of the association's lien by sale must be recorded in the minutes of the meeting.

~~{4-}~~ 5. An executive board shall meet in executive session to hold a hearing on an alleged violation of the governing documents unless the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted by the executive board. If the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted, the person:

(a) Is entitled to attend all portions of the hearing related to the alleged violation, including, without limitation, the presentation of evidence and the testimony of witnesses;

(b) Is entitled to due process, as set forth in the standards adopted by regulation by the Commission, which must include, without limitation, the right to counsel ~~{-}~~ **or any other representative chosen by the person**, the right to present witnesses and the right to present information relating to any conflict of interest of any member of the hearing panel; and

(c) Is not entitled to attend the deliberations of the executive board.

~~{5-}~~ 6. The provisions of subsection ~~{4-}~~ 5 establish the minimum protections that the executive board must provide before it may make a decision. The provisions of subsection ~~{4-}~~ 5 do not preempt any provisions of the governing documents that provide greater protections.

~~{6.}~~ 7. Except as otherwise provided in this subsection, any matter discussed by the executive board when it meets in executive session must be generally noted in the minutes of the meeting of the executive board. The executive board shall maintain minutes of any decision made pursuant to subsection ~~{4.}~~ 5 concerning an alleged violation and, upon request, provide a copy of the decision to the person who was subject to being sanctioned at the hearing or to the person's designated representative.

~~{7.}~~ 8. Except as otherwise provided in subsection ~~{4.}~~ 5, a unit's owner is not entitled to attend or speak at a meeting of the executive board held in executive session.

Sec. 14. NRS 116.31086 is hereby amended to read as follows:

116.31086 1. If an association solicits bids for an association project, the bids must be opened during a meeting of the executive board.

2. As used in this section, "association project" includes, without limitation, a project that involves the maintenance, repair, replacement or restoration of any part of the common elements or which involves the provision of ***durable goods or*** services to the association.

Sec. 15. NRS 116.31087 is hereby amended to read as follows:

116.31087 1. If an executive board receives a written complaint from a unit's owner alleging that the executive board has violated any provision of this chapter or any provision of the governing documents of the association, the executive board shall, upon the written request of the unit's owner, place the subject of the complaint on the agenda of the next regularly scheduled meeting of the executive board.

2. Not later than 10 business days after the date that the association receives such a complaint, the executive board or an authorized representative of the association shall acknowledge the receipt of the complaint and notify the unit's owner that, if the unit's owner submits a written request that the subject of the complaint be placed on the agenda of the next regularly scheduled meeting of the executive board, the subject of the complaint will be placed on the agenda of the next regularly scheduled meeting of the executive board.

3. *At the meeting, the executive board shall discuss fully and attempt to resolve any complaint placed on the agenda of the meeting pursuant to this section. Any decision of the executive board with respect to the complaint must be included in detail in the minutes of the meeting.*

Sec. 16. NRS 116.31107 is hereby amended to read as follows:

116.31107 1. A person shall not knowingly, willfully and with the intent to fraudulently alter the true outcome of an election of a member of the executive board or any other vote of the units' owners engage in, attempt to engage in, or conspire with another person to engage in, any of the following acts:

(a) Changing or falsifying a voter's ballot so that the ballot does not reflect the voter's true ballot.

(b) Forging or falsely signing a voter's ballot.

(c) Fraudulently casting a vote for himself or herself or for another person that the person is not authorized to cast.

(d) Rejecting, failing to count, destroying, defacing or otherwise invalidating the valid ballot of another voter.

(e) Submitting a counterfeit ballot.

2. A person who violates ~~[this section]~~ **subsection 1** is guilty of a category D felony and shall be punished as provided in NRS 193.130.

3. *Each ballot provided to the units' owners pursuant to this chapter must contain in clear and prominent text a copy of the provisions of this section.*

Sec. 17. NRS 116.3114 is hereby amended to read as follows:

116.3114 **1.** Unless otherwise provided in the declaration, any surplus funds of the association remaining after payment of or provision for common expenses and any prepayment of reserves must be paid to the units' owners in proportion to their liabilities for common expenses or credited to them to reduce their future assessments for common expenses.

2. *For the purpose of this section:*

(a) *An association of a common-interest community with 200 or less units has "surplus funds" if the amount remaining after payment of or provision for the common expenses and any prepayment of reserves is greater than three times the monthly operating expenses of the association based on the periodic budget adopted by the association pursuant to NRS 116.3115.*

(b) *An association of a common-interest community with more than 200 units has "surplus funds" if the amount remaining after payment of or provision for the common expenses and any prepayment of reserves is greater than two times the monthly operating expenses of the association based on the periodic budget adopted by the association pursuant to NRS 116.3115.*

Sec. 18. NRS 116.31144 is hereby amended to read as follows:

116.31144 **1.** Except as otherwise provided in subsection 2, the executive board shall:

(a) If the annual budget of the association is less than \$75,000, cause the financial statement of the association to be reviewed by an independent certified public accountant during the year immediately preceding the year in which a study of the reserves of the association is to be conducted pursuant to NRS 116.31152.

(b) If the annual budget of the association is \$75,000 or more but less than \$150,000, cause the financial statement of the association to be reviewed by an independent certified public accountant every fiscal year.

(c) If the annual budget of the association is \$150,000 or more, cause the financial statement of the association to be audited by an independent certified public accountant every fiscal year.

2. For any fiscal year, the executive board of an association to which paragraph (a) or (b) of subsection 1 applies shall cause the financial

statement for that fiscal year to be audited by an independent certified public accountant if, within 180 days before the end of the fiscal year, 15 percent of the total number of voting members of the association submit a written request for such an audit.

3. The Commission shall adopt regulations prescribing the requirements for the auditing or reviewing of financial statements of an association pursuant to this section. Such regulations must include, without limitation:

(a) The qualifications necessary for a person to audit or review financial statements of an association; and

(b) The standards and format to be followed in auditing or reviewing financial statements of an association.

4. *If a unit's owner requests a copy of a review or audit performed pursuant to this section, the association must provide a copy of the review or audit to the unit's owner in paper format or electronic format, whichever is requested by the unit's owner, at no charge.*

Sec. 19. NRS 116.3115 is hereby amended to read as follows:

116.3115 1. Until the association makes an assessment for common expenses, the declarant shall pay all common expenses. After an assessment has been made by the association, assessments must be made at least annually, based on a budget adopted ~~at least annually~~ **and ratified by the units' owners at least annually** by the association in accordance with the requirements set forth in NRS 116.31151. Unless the declaration imposes more stringent standards, the budget must include a budget for the daily operation of the association and a budget for the reserves required by paragraph (b) of subsection 2.

2. Except for assessments under subsections 4 to 7, inclusive:

(a) All common expenses, including the reserves, must be assessed against all the units in accordance with the allocations set forth in the declaration pursuant to subsections 1 and 2 of NRS 116.2107.

(b) The association shall establish adequate reserves, funded on a reasonable basis, for the repair, replacement and restoration of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore. The reserves may be used only for those purposes, including, without limitation, repairing, replacing and restoring roofs, roads and sidewalks, and must not be used for daily maintenance ~~or~~ **or capital improvements**. The association may comply with the provisions of this paragraph through a funding plan that is designed to allocate the costs for the repair, replacement and restoration of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore over a period of years if the funding plan is designed in an actuarially sound manner which will ensure that sufficient money is available when the repair, replacement and restoration of the major components of the common elements or any other portion of the common-interest community that the association is

obligated to maintain, repair, replace or restore are necessary. Notwithstanding any provision of ~~this chapter or~~ the governing documents to the contrary, **a special assessment** to establish adequate reserves pursuant to this paragraph, including, without limitation, to establish or carry out a funding plan ~~[, the executive board may, without seeking or obtaining the approval of the units' owners, impose any necessary and reasonable assessments against the units in the common interest community. Any such assessments imposed by the executive board must be based on the study of the reserves of the association conducted pursuant to NRS 116.31152.]~~ **may not exceed \$35 per unit per month.**

3. Any assessment for common expenses or installment thereof that is 60 days or more past due bears interest at a rate equal to the prime rate at the largest bank in Nevada as ascertained by the Commissioner of Financial Institutions on January 1 or July 1, as the case may be, immediately preceding the date the assessment becomes past due, plus 2 percent. The rate must be adjusted accordingly on each January 1 and July 1 thereafter until the balance is satisfied.

4. Except as otherwise provided in the governing documents:

(a) Any common expense associated with the maintenance, repair, restoration or replacement of a limited common element must be assessed against the units to which that limited common element is assigned, equally, or in any other proportion the declaration provides;

(b) Any common expense or portion thereof benefiting fewer than all of the units must be assessed exclusively against the units benefited; and

(c) The costs of insurance must be assessed in proportion to risk and the costs of utilities must be assessed in proportion to usage.

5. Assessments to pay a judgment against the association may be made only against the units in the common-interest community at the time the judgment was entered, in proportion to their liabilities for common expenses.

6. If any common expense is caused by the misconduct of any unit's owner, the association may assess that expense exclusively against his or her unit.

7. The association of a common-interest community created before January 1, 1992, is not required to make an assessment against a vacant lot located within the community that is owned by the declarant.

8. If liabilities for common expenses are reallocated, assessments for common expenses and any installment thereof not yet due must be recalculated in accordance with the reallocated liabilities.

9. The association shall provide written notice to each unit's owner of a meeting at which an assessment **or expenditure** for a capital improvement **in an amount of \$500 or more** is to be considered or action is to be taken on such an assessment **or expenditure** at least 21 calendar days before the date of the meeting. **An assessment for a capital improvement may not exceed \$35 per unit per month.**

10. In a common-interest community with less than 500 units, the association shall not make or cause to made any visible changes to the interior or exterior of the common elements, including, without limitation, landscaping, unless:

(a) At least 21 calendar days before a meeting of the units' owners to consider and take action on the changes, the association provides written notice to each unit's owner of the meeting; and

(b) At the meeting, a majority of the units' owners approve the changes by secret written ballot.

11. In a common-interest community:

(a) With less than 150 units, the association shall not make an expenditure for a capital improvement of \$7,500 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.

(b) With at least 150 but less than 250 units, the association shall not make an expenditure for a capital improvement of \$15,000 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.

(c) With at least 250 but less than 500 units, the association shall not make an expenditure for a capital improvement of \$25,000 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.

(d) With 500 or more units, the association shall not make an expenditure for a capital improvement of \$35,000 or more unless a majority of the units' owners who vote on such an expenditure approve the expenditure.

12. As used in this section, "capital improvement" means an expenditure by the association for the construction of a new common element, an addition or improvement to an existing common element or the installation of landscaping where no landscaping previously existed.

Sec. 20. NRS 116.31151 is hereby amended to read as follows:

116.31151 1. Except as otherwise provided in subsection 2 and unless the declaration of a common-interest community imposes more stringent standards, the executive board shall, not less than 30 days or more than 60 days before the beginning of the fiscal year of the association, prepare and distribute to each unit's owner a copy of:

(a) The budget for the daily operation of the association. The budget must include, without limitation, the estimated annual revenue and expenditures of the association and any contributions to be made to the reserve account of the association.

(b) The budget to provide adequate funding for the reserves required by paragraph (b) of subsection 2 of NRS 116.3115. The budget must include, without limitation:

(1) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the common elements

and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(2) As of the end of the fiscal year for which the budget is prepared, the current estimate of the amount of cash reserves that are necessary, and the current amount of accumulated cash reserves that are set aside, to repair, replace or restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(3) A statement as to whether the executive board has determined or anticipates that the levy of one or more special assessments will be necessary to repair, replace or restore any major component of the common elements or any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore or to provide adequate funding for the reserves designated for that purpose; and

(4) A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to subparagraph (2), including, without limitation, the qualifications of the person responsible for the preparation of the study of the reserves required by NRS 116.31152.

2. In lieu of distributing copies of the budgets of the association required by subsection 1, the executive board may distribute to each unit's owner a summary of those budgets, accompanied by a written notice that:

(a) The budgets are available for review at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties but not to exceed 60 miles from the physical location of the common-interest community; and

(b) Copies of the budgets will be provided upon request.

3. Within 60 days after adoption of any proposed budget for the common-interest community, the executive board shall ~~provide~~ :

(a) Cause a summary of the proposed budget ~~to each~~ , a secret ballot and a return envelope to be sent, prepaid by United States mail, to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner . ~~and shall set~~

(b) Set a date for a meeting of the units' owners to ~~consider ratification of the proposed budget~~ open and count the secret written ballots. The meeting must be not less than 14 days or more than 30 days after the mailing of the ~~summaries. Unless~~ ballots. At the meeting, the president of the association shall preside, a committee of the units' owners shall open and count only the secret written ballots that are returned to the association. A quorum is not required to be present when the secret written ballots are opened and counted. If, at that meeting , a majority of ~~all units' owners, or any larger vote specified in the declaration, reject~~ the votes cast are cast in favor of ratifying the proposed budget, the proposed budget is ratified . ~~whether or not a quorum is present.~~ If the proposed budget is ~~rejected,~~ not ratified, the

periodic budget last ratified by the units' owners must be continued until such time as the units' owners ratify a subsequent budget proposed by the executive board.

4. The executive board shall, at the same time and in the same manner that the executive board makes the budget available to a unit's owner pursuant to this section, make available to each unit's owner the policy established for the association concerning the collection of any fees, fines, assessments or costs imposed against a unit's owner pursuant to this chapter.

~~[The policy must include, without limitation:]~~ **An association may not charge a unit's owner the costs of collecting a past due obligation unless:**

(a) ~~The [responsibility of]~~ **executive board proposes a collection policy which includes, without limitation:**

(1) The responsibility of the unit's owner to pay an obligation in a timely manner;

(2) A provision that a fee, fine, assessment or cost may not be referred for collection unless the unit's owner [to pay any such fees, fines, assessments or costs in a timely manner:] has not paid the fee, fine, assessment or cost within 60 days after the first day of the month following the month in which notice of the fee, fine, assessment or cost is sent or otherwise communicated to the unit's owner or, if the amount of the fee, fine, assessment or cost is \$1,000 or more, within 90 days after the period set forth in this paragraph; and

~~(b)]~~ **(3) The association's rights concerning the collection of such fees, fines, assessments or costs if the unit's owner fails to pay the fees, fines, assessments or costs [in a timely manner:] within the period set forth in [paragraph (a)] subparagraph (2); and**

(4) The rate established by the association for the costs of collecting a past due obligation.

(b) Units' owners constituting a majority of the votes cast approve the collection policy proposed by the executive board; and

(c) The collection service for which the cost is incurred has been performed, except that the fees and costs associated with a release of a delinquent assessment lien may be charged to the unit's owner at the time of the recording of the notice of a delinquent assessment lien.

Sec. 21. NRS 116.31152 is hereby amended to read as follows:

116.31152 1. The executive board shall:

(a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(b) At least annually, review the results of that study to determine whether those reserves are sufficient; and

(c) At least annually, make any adjustments to the association's funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

2. Except as otherwise provided in this subsection, the study of the reserves required by subsection 1 must be conducted by a person who holds a permit issued pursuant to chapter 116A of NRS. If the common-interest community contains 20 or fewer units and is located in a county whose population is 50,000 or less, the study of the reserves required by subsection 1 may be conducted by any person whom the executive board deems qualified to conduct the study.

3. The study of the reserves must include, without limitation:

(a) A summary of an inspection of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore;

(b) An identification of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore which have a remaining useful life of less than 30 years;

(c) An estimate of the remaining useful life of each major component of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore identified pursuant to paragraph (b);

(d) An estimate of the cost of maintenance, repair, replacement or restoration of each major component of the common elements and any other portion of the common-interest community identified pursuant to paragraph (b) during and at the end of its useful life; and

(e) An estimate of the total annual assessment that may be necessary to cover the cost of maintaining, repairing, replacement or restoration of the major components of the common elements and any other portion of the common-interest community identified pursuant to paragraph (b), after subtracting the reserves of the association as of the date of the study, and an estimate of the funding plan that may be necessary to provide adequate funding for the required reserves.

4. ***Upon completion of the study of the reserves required by this section, the association shall notify the units' owners that the study is available for review and make the study available in electronic format to a unit's owner at no charge. Not earlier than 20 days after the association notifies the units' owners of the completion of the study, the executive board must conduct a meeting of the executive board for the purpose of approving the study. Before approving the study at the meeting, the executive board shall accept, review and consider comments by the units' owners in the manner required by NRS 116.31085. Notwithstanding any other provision of this chapter or the governing documents, the executive board may not take any actions based on the study, including, without limitation, establishing a funding plan to provide adequate funding for the reserves, unless and until the executive board approves the study at a meeting of the executive board.***

5. A summary of the study of the reserves required by subsection 1 must be submitted to the Division not later than 45 days after the date that the executive board adopts the results of the study.

~~{5-}~~ 6. If a common-interest community was developed as part of a planned unit development pursuant to chapter 278A of NRS and is subject to an agreement with a city or county to receive credit against the amount of the residential construction tax that is imposed pursuant to NRS 278.4983 and 278.4985, the association that is organized for the common-interest community may use the money from that credit for the repair, replacement or restoration of park facilities and related improvements if:

(a) The park facilities and related improvements are identified as major components of the common elements of the association; and

(b) The association is obligated to repair, replace or restore the park facilities and related improvements in accordance with the study of the reserves required by subsection 1.

Sec. 22. NRS 116.3116 is hereby amended to read as follows:

116.3116 1. The association has a lien on a unit for any construction penalty that is imposed against the unit's owner pursuant to NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment or fine becomes due. Unless the declaration otherwise provides, any penalties, fees, charges, late charges, fines and interest charged pursuant to paragraphs (j) to (n), inclusive, of subsection 1 of NRS 116.3102 are enforceable as assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

2. A lien under this section is prior to all other liens and encumbrances on a unit except:

(a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances which the association creates, assumes or takes subject to;

(b) A first security interest on the unit recorded before the date on which the assessment sought to be enforced became delinquent or, in a cooperative, the first security interest encumbering only the unit's owner's interest and perfected before the date on which the assessment sought to be enforced became delinquent; and

(c) Liens for real estate taxes and other governmental assessments or charges against the unit or cooperative.

~~{1-}~~

3. The lien under this section is also prior to all security interests described in paragraph (b) of subsection 2 to the extent of any ~~{but only in an amount not to exceed}~~ charges incurred by the association on a unit pursuant to NRS 116.310312 and to the extent of ~~{plus an amount not to exceed nine times}~~ the assessments ~~{monthly assessment}~~ for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115

which ~~would have become due in the absence of acceleration during the 9 months immediately preceding institution of an~~ ~~is in effect at the time of the commencement of a civil~~ action to enforce the ~~association's~~ lien, unless federal regulations **or underwriting guidelines** adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a ~~shorter period of~~ ~~flesser amount for the amount of the~~ priority for the lien. ~~assessments.~~ If federal regulations **or underwriting guidelines** adopted by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association require a ~~shorter period of~~ ~~flesser amount for the amount of the~~ priority for the lien, ~~assessment,~~ the ~~period during which the lien is prior to all security interests described in paragraph (b))~~ ~~amount of assessments to be given priority pursuant to this subsection)~~ **period of priority** must be determined in accordance with those federal regulations ~~or~~ **or underwriting guidelines**, except that notwithstanding the provisions of the federal regulations ~~or~~ **or underwriting guidelines**, the period of ~~amount of assessments to be given~~ priority for the lien must not be less than ~~the 6 months immediately preceding institution of an~~ ~~six times the monthly assessment for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which is in effect at the time of the commencement of a civil~~ action to enforce the ~~association's~~ lien. ~~{This subsection does}~~ **If title to a unit is acquired by a sale conducted pursuant to NRS 40.430 or 107.080 to obtain payment of a debt secured by a security interest described in paragraph (b) of subsection 2 and that debt was insured by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the amount secured by the lien given priority over the security interests described in paragraph (b) of subsection 2 must not exceed the amount of common expenses and assessments authorized to be given such priority by the federal regulations or underwriting guidelines adopted by the entity which insured the debt.**

4. The provisions of subsections 2 and 3 do not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the association.

~~3. 5.~~ **5.** Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority.

~~4. 6.~~ **6.** Recording of the declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this section is required.

~~5. 7.~~ **7.** A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within 3 years after the full amount of the assessments becomes due.

~~6. 8.~~ **8.** This section does not prohibit actions to recover sums for which subsection 1 creates a lien or prohibit an association from taking a deed in lieu of foreclosure.

~~17.1~~ **9.** A judgment or decree in any action brought under this section must include costs and reasonable attorney's fees for the prevailing party.

~~18.1~~ **10.** The association, upon written request, shall furnish to a unit's owner a statement setting forth the amount of unpaid assessments against the unit. If the interest of the unit's owner is real estate or if a lien for the unpaid assessments may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the statement must be in recordable form. The statement must be furnished within 10 business days after receipt of the request and is binding on the association, the executive board and every unit's owner.

~~19.1~~ **11.** In a cooperative, upon nonpayment of an assessment on a unit, the unit's owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and:

(a) In a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, the association's lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

(b) In a cooperative where the owner's interest in a unit is personal property under NRS 116.1105, the association's lien:

(1) May be foreclosed as a security interest under NRS 104.9101 to 104.9709, inclusive; or

(2) If the declaration so provides, may be foreclosed under NRS 116.31162 to 116.31168, inclusive.

Sec. 22.5. NRS 116.31162 is hereby amended to read as follows:

116.31162 1. Except as otherwise provided in ~~subsection~~ **subsections 4, 5 and 5**, in a condominium, in a planned community, in a cooperative where the owner's interest in a unit is real estate under NRS 116.1105, or in a cooperative where the owner's interest in a unit is personal property under NRS 116.1105 and the declaration provides that a lien may be foreclosed under NRS 116.31162 to 116.31168, inclusive, the association may foreclose its lien by sale after all of the following occur:

(a) The association has mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest, at his or her address, if known, and at the address of the unit, a notice of delinquent assessment which states the amount of the assessments and other sums which are due in accordance with subsection 1 of NRS 116.3116, a description of the unit against which the lien is imposed and the name of the record owner of the unit.

(b) **Before the association records the notice of default and election to sell in the manner required by paragraph (c), the executive board authorizes the foreclosure of the association's lien by sale by a majority vote of the members of the executive board which is recorded in the minutes of the meeting at which such action is taken.**

(c) Not less than 30 days after mailing the notice of delinquent assessment pursuant to paragraph (a), the association or other person conducting the sale has executed and caused to be recorded, with the county recorder of the county in which the common-interest community or any part of it is situated,

a notice of default and election to sell the unit to satisfy the lien which must contain the same information as the notice of delinquent assessment and which must also comply with the following:

- (1) Describe the deficiency in payment.
- (2) State the name and address of the person authorized by the association to enforce the lien by sale.
- (3) Contain, in 14-point bold type, the following warning:

WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE!

~~(c)~~ **(d)** The unit's owner or his or her successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement, for 90 days following the recording of the notice of default and election to sell.

2. The notice of default and election to sell must be signed by the person designated in the declaration or by the association for that purpose or, if no one is designated, by the president of the association.

3. The period of 90 days begins on the first day following:

- (a) The date on which the notice of default is recorded; or
- (b) The date on which a copy of the notice of default is mailed by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest at his or her address, if known, and at the address of the unit,

↪ whichever date occurs later.

4. The association may not foreclose a lien by sale based on a fine or penalty for a violation of the governing documents of the association unless:

(a) The violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community; or

(b) The penalty is imposed for failure to adhere to a schedule required pursuant to NRS 116.310305.

5. **The association may not foreclose a lien by sale based on a delinquent assessment unless the amount of the delinquent assessment, excluding acceleration and any interest, charges for late payment, fines or costs of collecting the assessment:**

(a) Is more than \$1,800; or

(b) Is equal to or greater than the assessments for common expenses based on the periodic budget adopted by the association pursuant to NRS 116.3115 which became due during the 12 months immediately preceding institution of the foreclosure.

Sec. 23. ~~NRS 116.31164 is hereby amended to read as follows:~~

~~116.31164—1. The sale must be conducted in the county in which the common interest community or part of it is situated, and may be conducted by the association, its agent or attorney, or a title insurance company or~~

escrow agent licensed to do business in this State, except that the sale may be made at the office of the association if the notice of the sale so provided, whether the unit is located within the same county as the office of the association or not. The association or other person conducting the sale may from time to time postpone the sale by such advertisement and notice as it considers reasonable or, without further advertisement or notice, by proclamation made to the persons assembled at the time and place previously set and advertised for the sale.

~~2. If the sale does not occur within 120 days after the date on which a copy of the notice of default and election to sell was mailed to the unit's owner or his or her successor in interest in the manner required by paragraph (b) of subsection 3 of NRS 116.31162, the association and any person acting on behalf of the association may not:~~

~~(a) Foreclose the association's lien by sale pursuant to NRS 116.31162 to 116.31168, inclusive; or~~

~~(b) File a civil action to obtain a judgment against the unit's owner for the amount due,~~

~~unless, within the period set forth in this subsection, the association, the unit's owner and any other person with a lien on the unit execute and record in the office of the county recorder of the county in which the unit is located a written agreement extending the period. The written agreement must be acknowledged as required by law for the acknowledgment of deeds. If the sale does not occur within the time provided in the written agreement, the association and any person acting on behalf of the association may not foreclose the association's lien by sale pursuant to NRS 116.31162 to 116.31168, inclusive, or file a civil action to obtain a judgment against the unit's owner for the amount due.~~

~~3. On the day of sale originally advertised or to which the sale is postponed, at the time and place specified in the notice or postponement, the person conducting the sale may sell the unit at public auction to the highest cash bidder. Unless otherwise provided in the declaration or by agreement, the association may purchase the unit and hold, lease, mortgage or convey it. The association may purchase by a credit bid up to the amount of the unpaid assessments and any permitted costs, fees and expenses incident to the enforcement of its lien.~~

~~{3.} 4. After the sale, the person conducting the sale shall:~~

~~(a) Make, execute and, after payment is made, deliver to the purchaser, or his or her successor or assign, a deed without warranty which conveys to the grantee all title of the unit's owner to the unit;~~

~~(b) Deliver a copy of the deed to the Ombudsman within 30 days after the deed is delivered to the purchaser, or his or her successor or assign; and~~

~~(c) Apply the proceeds of the sale for the following purposes in the following order:~~

~~(1) The reasonable expenses of sale;~~

~~(2) The reasonable expenses of securing possession before sale, holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges, premiums on hazard and liability insurance, and, to the extent provided for by the declaration, reasonable attorney's fees and other legal expenses incurred by the association;~~

~~(3) Satisfaction of the association's lien;~~

~~(4) Satisfaction in the order of priority of any subordinate claim of record; and~~

~~(5) Remittance of any excess to the unit's owner.} **(Deleted by amendment.)**~~

Sec. 24. NRS 116.31175 is hereby amended to read as follows:

116.31175 1. Except as otherwise provided in this subsection, the executive board of an association shall, upon the written request of a unit's owner, make available the books, records and other papers of the association **, including, without limitation, the budget, the reserve study, contracts to which the association is a party, records filed with a court relating to civil or criminal action to which the association is a party, minutes of meetings of the units' owners and of the executive board, attorney opinions which do not relate to current litigation involving the association, any architectural plan or specification submitted by a unit's owner, agendas of meetings of the units' owners and of the executive board, records of violations of the governing documents excluding names and addresses, records relating to the investments of the association, bank statements, cancelled checks, insurance policies and any permits, even if the book, record or paper is in draft form or is unapproved or in the process of being developed,** for review at the business office of the association or a designated business location not to exceed 60 miles from the physical location of the common-interest community and during the regular working hours of the association . ~~including, without limitation, all contracts to which the association is a party and all records filed with a court relating to a civil or criminal action to which the association is a party.}~~ The provisions of this subsection do not apply to:

(a) The personnel records of the employees of the association, except for those records relating to the number of hours worked and the salaries and benefits of those employees;

(b) The records of the association relating to another unit's owner ~~including, without limitation, any architectural plan or specification submitted by a unit's owner to the association during an approval process required by the governing documents, except for those records described in subsection 2; and~~

~~(c) Any document, including, without limitation, minutes of an executive board meeting, a reserve study and a budget, if the document:~~

~~(1) Is in the process of being developed for final consideration by the executive board; and~~

~~(2) Has not been placed on an agenda for final approval by the executive board.] other than records specifically mentioned in this subsection.~~

2. The executive board of an association shall maintain a general record concerning each violation of the governing documents, other than a violation involving a failure to pay an assessment, for which the executive board has imposed a fine, a construction penalty or any other sanction. The general record:

(a) Must contain a general description of the nature of the violation and the type of the sanction imposed. If the sanction imposed was a fine or construction penalty, the general record must specify the amount of the fine or construction penalty.

(b) Must not contain the name or address of the person against whom the sanction was imposed or any other personal information which may be used to identify the person or the location of the unit, if any, that is associated with the violation.

(c) Must be maintained in an organized and convenient filing system or data system that allows a unit's owner to search and review the general records concerning violations of the governing documents.

3. If the executive board refuses to allow a unit's owner to review the books, records or other papers of the association, the Ombudsman may:

(a) On behalf of the unit's owner and upon written request, review the books, records or other papers of the association during the regular working hours of the association; and

(b) If the Ombudsman is denied access to the books, records or other papers, request the Commission, or any member thereof acting on behalf of the Commission, to issue a subpoena for their production.

4. The books, records and other papers of an association must be maintained for at least 10 years. The provisions of this subsection do not apply to:

(a) The minutes of a meeting of the units' owners which must be maintained in accordance with NRS 116.3108; or

(b) The minutes of a meeting of the executive board which must be maintained in accordance with NRS 116.31083.

5. The executive board shall not require a unit's owner to pay an amount in excess of \$10 per hour to review any books, records, contracts or other papers of the association pursuant to the provisions of this section.

6. If an official publication contains or will contain any mention of a candidate or ballot question, the official publication must, upon request and without charge, provide equal space to the candidate or a representative of an organization which supports the passage or defeat of the ballot question.

7. If an official publication contains or will contain the views or opinions of the association, the executive board, a community manager or an officer, employee or agent of an association concerning an issue of official interest, the official publication must, upon request and without charge, provide equal

space to opposing views and opinions of a unit's owner, tenant or resident of the common-interest community. *If the views or opinions of the association, the executive board, a community manager or an officer, employee or agent of an association are published in an official newsletter or other similar publication that is circulated to each unit's owner, in addition to any other manner of official publication for the opposing views or opinions of a unit's owner, tenant or resident, those opposing views or opinions may be published in the same such newsletter or publication or in the next such newsletter or publication but the opposing views or opinions must be published in an official newsletter or similar publication within 45 days after publication of the views or opinions of the association, the executive board, community manager or officer, employee or agent of the association. If the views or opinions of the association, the executive board, a community manager or an officer, employee or agent of an association are published on an official website or on an official bulletin board that is available to each unit's owner, in addition to any other manner of official publication for the opposing views or opinions, the opposing views or opinions of a unit's owner, tenant or resident must be published in the next official newsletter or other similar publication that is circulated to each unit's owner or in an official newsletter or similar publication published within 45 days after publication of the views or opinions of the association, executive board, community manager or officer, employee or agent of the association, whichever is earlier.*

8. The association and its officers, employees and agents are immune from criminal or civil liability for any act or omission which arises out of the publication or disclosure of any information related to any person and which occurs in the course of carrying out any duties required pursuant to subsection 6 or 7.

9. As used in this section:

(a) "Issue of official interest" includes, without limitation:

(1) Any issue on which the executive board or the units' owners will be voting, including, without limitation, the election of members of the executive board; and

(2) The enactment or adoption of rules or regulations that will affect a common-interest community.

(b) "Official publication" means:

(1) An official website;

(2) An official newsletter or other similar publication that is circulated to each unit's owner; or

(3) An official bulletin board that is available to each unit's owner,

➡ which is published or maintained at the cost of an association and by an association, an executive board, a member of an executive board, a community manager or an officer, employee or agent of an association.

Sec. 25. NRS 116.31183 is hereby amended to read as follows:

116.31183 1. An executive board, a member of an executive board, a community manager or an officer, employee or agent of an association shall not take, or direct or encourage another person to take, any retaliatory action against a unit's owner , ***including, without limitation, demanding money from a unit's owner, prohibiting the use of the common elements by the unit's owner, restricting the access of friends, relatives or any invitee of a unit's owner, filing against the unit's owner a false or fraudulent affidavit with the Division pursuant to NRS 116.760, filing against the unit's owner a false or fraudulent claim with the Division pursuant to NRS 38.320, or filing a frivolous civil action for the purpose of harassing the unit's owner,*** because the unit's owner has:

(a) Complained in good faith about any alleged violation of any provision of this chapter , ~~for~~ the governing documents of the association ~~};~~ ***or any federal, state, county or municipal law, ordinance or code;***

(b) Recommended the selection or replacement of an attorney, community manager or vendor; or

(c) Requested in good faith to review the books, records or other papers of the association.

2. In addition to any other remedy provided by law, upon a violation of this section, a unit's owner may bring a separate action to recover:

(a) Compensatory damages; and

(b) Attorney's fees and costs of bringing the separate action.

Sec. 26. NRS 116.330 is hereby amended to read as follows:

116.330 1. The executive board shall not and the governing documents must not prohibit a unit's owner from installing or maintaining drought tolerant landscaping within such physical portion of the common-interest community as that owner has a right to occupy and use exclusively, including, without limitation, the front yard or back yard of the unit's owner, except that:

(a) Before installing drought tolerant landscaping, the unit's owner must submit a detailed description or plans for the drought tolerant landscaping for architectural review and approval in accordance with the procedures, if any, set forth in the governing documents of the association; and

(b) The drought tolerant landscaping must be selected or designed to the maximum extent practicable to be compatible with the style of the common-interest community.

➤ The provisions of this subsection must be construed liberally in favor of effectuating the purpose of encouraging the use of drought tolerant landscaping, and the executive board shall not and the governing documents must not unreasonably deny or withhold approval for the installation of drought tolerant landscaping or unreasonably determine that the drought tolerant landscaping is not compatible with the style of the common-interest community.

2. *The association may not charge a fee to a unit's owner who is seeking approval to install drought tolerant landscaping pursuant to this section.*

3. Installation of drought tolerant landscaping within any common element or conversion of traditional landscaping or cultivated vegetation, such as turf grass, to drought tolerant landscaping within any common element shall not be deemed to be a change of use of the common element unless:

(a) The common element has been designated as a park, open play space or golf course on a recorded plat map; or

(b) The traditional landscaping or cultivated vegetation is required by a governing body under the terms of any applicable zoning ordinance, permit or approval or as a condition of approval of any final subdivision map.

~~{3-}~~ 4. As used in this section, "drought tolerant landscaping" means landscaping which conserves water, protects the environment and is adaptable to local conditions. The term includes, without limitation, the use of mulches such as decorative rock and artificial turf.

Sec. 27. NRS 116.335 is hereby amended to read as follows:

116.335 1. Unless, at the time a unit's owner purchased his or her unit, the declaration prohibited the unit's owner from renting or leasing his or her unit, the association may not prohibit the unit's owner from renting or leasing his or her unit.

2. Unless, at the time a unit's owner purchased his or her unit, the declaration required the unit's owner to secure or obtain any approval from the association in order to rent or lease his or her unit, an association may not require the unit's owner to secure or obtain any approval from the association in order to rent or lease his or her unit.

3. If a declaration contains a provision establishing a maximum number or percentage of units in the common-interest community which may be rented or leased, that provision of the declaration may not be amended to decrease that maximum number or percentage of units in the common-interest community which may be rented or leased.

4. The provisions of this section do not prohibit an association from enforcing any provisions which govern the renting or leasing of units and which are contained in this chapter or in any other applicable federal, state or local laws or regulations.

5. Notwithstanding any other provision of law or the declaration to the contrary:

(a) If a unit's owner is prohibited from renting or leasing a unit because the maximum number or percentage of units which may be rented or leased in the common-interest community have already been rented or leased, the unit's owner may seek a waiver of the prohibition from the executive board based upon a showing of economic hardship, and the executive board ~~{may}~~ **shall** grant such a waiver **upon proof of economic hardship** and approve the renting or leasing of the unit.

(b) If the declaration contains a provision establishing a maximum number or percentage of units in the common-interest community which may be rented or leased, in determining the maximum number or percentage of units in the common-interest community which may be rented or leased, the number of units owned by the declarant must not be counted or considered.

Sec. 28. NRS 116.350 is hereby amended to read as follows:

116.350 1. In a common-interest community which is not gated or enclosed and the access to which is not restricted or controlled by a person or device, the executive board shall not and the governing documents must not ~~provide~~ :

(a) **Provide** for the regulation of any road, street, alley or other thoroughfare the right-of-way of which is accepted by the State or a local government for dedication as a road, street, alley or other thoroughfare for public use.

(b) ***Except as otherwise provided in paragraph (s) of subsection 1 of NRS 116.3102, interfere with the parking of any automobile, privately owned standard pickup truck, motorcycle or any other vehicle not specifically described in subsection 2.***

2. Except as otherwise provided in subsection 3, the provisions of subsection 1 do not preclude an association from adopting, and do not preclude the governing documents of an association from setting forth, rules that reasonably restrict the parking or storage of recreational vehicles, watercraft, trailers or commercial vehicles in the common-interest community to the extent authorized by law.

3. In any common-interest community, the executive board shall not and the governing documents must not prohibit a person from:

(a) Parking a utility service vehicle that has a gross vehicle weight rating of 20,000 pounds or less:

(1) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of the unit of a subscriber or consumer, while the person is engaged in any activity relating to the delivery of public utility services to subscribers or consumers; or

(2) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of his or her unit, if the person is:

(I) A unit's owner or a tenant of a unit's owner; and

(II) Bringing the vehicle to his or her unit pursuant to his or her employment with the entity which owns the vehicle for the purpose of responding to emergency requests for public utility services; or

(b) Parking a law enforcement vehicle or emergency services vehicle:

(1) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of the unit of a person to whom law enforcement or emergency services are being provided, while the person is engaged in his or her official duties; or

(2) In an area designated for parking for visitors, in a designated parking area or common parking area, or on the driveway of his or her unit, if the person is:

(I) A unit's owner or a tenant of a unit's owner; and

(II) Bringing the vehicle to his or her unit pursuant to his or her employment with the entity which owns the vehicle for the purpose of responding to requests for law enforcement services or emergency services.

4. An association may require that a person parking a utility service vehicle, law enforcement vehicle or emergency services vehicle as set forth in subsection 3 provide written confirmation from his or her employer that the person is qualified to park his or her vehicle in the manner set forth in subsection 3.

5. ***In a common-interest community which is not gated or enclosed and the access to which is not restricted or controlled by a person or device, the association shall display a sign in plain view on or near any property on which parking is prohibited or restricted in a certain manner.***

6. As used in this section:

(a) "Emergency services vehicle" means a vehicle:

(1) Owned by any governmental agency or political subdivision of this State; and

(2) Identified by the entity which owns the vehicle as a vehicle used to provide emergency services.

(b) "Law enforcement vehicle" means a vehicle:

(1) Owned by any governmental agency or political subdivision of this State; and

(2) Identified by the entity which owns the vehicle as a vehicle used to provide law enforcement services.

(c) "Utility service vehicle" means any motor vehicle:

(1) Used in the furtherance of repairing, maintaining or operating any structure or any other physical facility necessary for the delivery of public utility services, including, without limitation, the furnishing of electricity, gas, water, sanitary sewer, telephone, cable or community antenna service; and

(2) Except for any emergency use, operated primarily within the service area of a utility's subscribers or consumers, without regard to whether the motor vehicle is owned, leased or rented by the utility.

Sec. 28.5. NRS 116.4109 is hereby amended to read as follows:

116.4109 1. Except in the case of a sale in which delivery of a public offering statement is required, or unless exempt under subsection 2 of NRS 116.4101, a unit's owner or his or her authorized agent shall, at the expense of the unit's owner, furnish to a purchaser a resale package containing all of the following:

(a) A copy of the declaration, other than any plats, the bylaws, the rules or regulations of the association and the information statement required by NRS 116.41095;

(b) A statement setting forth the amount of the monthly assessment for common expenses and any unpaid assessment of any kind currently due from the selling unit's owner;

(c) A copy of the current operating budget of the association and current year-to-date financial statement for the association, which must include a summary of the reserves of the association required by NRS 116.31152 and which must include, without limitation, a summary of the information described in paragraphs (a) to (e), inclusive, of subsection 3 of NRS 116.31152;

(d) A statement of any unsatisfied judgments or pending legal actions against the association and the status of any pending legal actions relating to the common-interest community of which the unit's owner has actual knowledge;

(e) A statement of any transfer fees, transaction fees or any other fees associated with the resale of a unit; and

(f) In addition to any other document, a statement describing all current and expected fees or charges for each unit, including, without limitation, association fees, fines, assessments, late charges or penalties, interest rates on delinquent assessments, additional costs for collecting past due fines and charges for opening or closing any file for each unit.

2. The purchaser may, by written notice, cancel the contract of purchase until midnight of the fifth calendar day following the date of receipt of the resale package described in subsection 1, and the contract for purchase must contain a provision to that effect. If the purchaser elects to cancel a contract pursuant to this subsection, the purchaser must hand deliver the notice of cancellation to the unit's owner or his or her authorized agent or mail the notice of cancellation by prepaid United States mail to the unit's owner or his or her authorized agent. Cancellation is without penalty, and all payments made by the purchaser before cancellation must be refunded promptly. If the purchaser has accepted a conveyance of the unit, the purchaser is not entitled to:

(a) Cancel the contract pursuant to this subsection; or

(b) Damages, rescission or other relief based solely on the ground that the unit's owner or his or her authorized agent failed to furnish the resale package, or any portion thereof, as required by this section.

3. Within 10 days after receipt of a written request by a unit's owner or his or her authorized agent, the association shall furnish all of the following to the unit's owner or his or her authorized agent for inclusion in the resale package:

(a) Copies of the documents required pursuant to paragraphs (a) and (c) of subsection 1; and

(b) A certificate containing the information necessary to enable the unit's owner to comply with paragraphs (b), (d) and (e) of subsection 1.

4. If the association furnishes the documents and certificate pursuant to subsection 3:

(a) The unit's owner or his or her authorized agent shall include the documents and certificate in the resale package provided to the purchaser, and neither the unit's owner nor his or her authorized agent is liable to the purchaser for any erroneous information provided by the association and included in the documents and certificate.

(b) The association may charge the unit's owner a reasonable fee to cover the cost of preparing the certificate furnished pursuant to subsection 3. Such a fee must be based on the actual cost the association incurs to fulfill the requirements of this section in preparing the certificate. The Commission shall adopt regulations establishing the maximum amount of the fee that an association may charge for preparing the certificate.

(c) The association may charge the unit's owner a reasonable fee, not to exceed 25 cents per page, to cover the cost of copying the other documents furnished pursuant to subsection 3.

(d) Except for the fees allowed pursuant to paragraphs (b) and (c), the association may not charge the unit's owner any other fees for preparing or furnishing the documents and certificate pursuant to subsection 3.

5. Neither a purchaser nor the purchaser's interest in a unit is liable for any unpaid assessment or fee greater than the amount set forth in the documents and certificate prepared by the association. If the association fails to furnish the documents and certificate within the 10 days allowed by this section, the seller is not liable for the delinquent assessment.

6. Upon the request of a unit's owner or his or her authorized agent, or upon the request of a purchaser to whom the unit's owner has provided a resale package pursuant to this section or his or her authorized agent, the association shall make the entire study of the reserves of the association which is required by NRS 116.31152 reasonably available for the unit's owner, purchaser or authorized agent to inspect, examine, photocopy and audit. The study must be made available at the business office of the association or some other suitable location within the county where the common-interest community is situated or, if it is situated in more than one county, within one of those counties.

7. An association or a community manager may not charge a unit's owner, and may not require a unit's owner to pay, a fee of more than \$50 to cover the cost of recording in the books and records of the association or community manager the transfer of the ownership of the unit.

Sec. 29. NRS 116.4117 is hereby amended to read as follows:

116.4117 1. Subject to the requirements set forth in subsection 2, if a declarant, community manager or any other person subject to this chapter fails to comply with any of its provisions or any provision of the declaration or bylaws, any person or class of persons suffering actual damages from the failure to comply may bring a civil action for damages or other appropriate relief.

2. ~~Subject to the requirements set forth in NRS 38.310 and except~~
Except as otherwise provided in NRS 116.3111, a civil action for damages or

other appropriate relief for a failure or refusal to comply with any provision of this chapter or the governing documents of an association may be brought:

(a) By the association against:

- (1) A declarant;
- (2) A community manager; or
- (3) A unit's owner.

(b) By a unit's owner *or a tenant or an invitee of a unit's owner or a tenant* against:

- (1) The association;
- (2) A declarant; or
- (3) Another unit's owner of the association.

(c) By a class of units' owners constituting at least 10 percent of the total number of voting members of the association against a community manager.

3. Except as otherwise provided in NRS 116.31036, punitive damages may be awarded for a willful and material failure to comply with any provision of this chapter if the failure is established by clear and convincing evidence.

4. The court may award reasonable attorney's fees to the prevailing party.

5. The civil remedy provided by this section is in addition to, and not exclusive of, any other available remedy or penalty.

Sec. 30. NRS 116.745 is hereby amended to read as follows:

116.745 As used in NRS 116.745 to 116.795, inclusive, *and section ~~11~~ 1.5 of this act*, unless the context otherwise requires, "violation" means a violation of any provision of this chapter, any regulation adopted pursuant thereto or any order of the Commission or a hearing panel.

Sec. 31. NRS 116.757 is hereby amended to read as follows:

116.757 1. Except as otherwise provided in this section and NRS 239.0115, a written affidavit filed with the Division pursuant to NRS 116.760, all documents and other information filed with the written affidavit and all documents and other information compiled as a result of an investigation conducted to determine whether to file a formal complaint with the Commission are confidential. ~~The~~ *Except as otherwise provided in this subsection, the* Division shall not disclose any *findings or other* information that is confidential pursuant to this subsection, in whole or in part, to any person, ~~[including, without limitation, a person who is the subject of an investigation or complaint,]~~ unless and until a formal complaint is filed pursuant to subsection 2 and the disclosure is required pursuant to subsection 2. *The Division shall provide to each party to the dispute for which the written affidavit was filed a copy of the documents and other information submitted by the other party.*

2. A formal complaint filed by the Administrator with the Commission and all documents and other information considered by the Commission or a hearing panel when determining whether to impose discipline or take other

administrative action pursuant to NRS 116.745 to 116.795, inclusive, **and section ~~11.5~~ 1.5 of this act** are public records.

Sec. 32. NRS 116.765 is hereby amended to read as follows:

116.765 1. Upon receipt of an affidavit that complies with the provisions of NRS 116.760, the Division shall refer the affidavit to the Ombudsman.

2. The Ombudsman shall give such guidance to the parties as the Ombudsman deems necessary to assist the parties to resolve the alleged violation. ***The Ombudsman shall provide each party an opportunity to respond to any allegations or statements made by the other party or the Division.***

3. If the parties are unable to resolve the alleged violation with the assistance of the Ombudsman, the Ombudsman shall provide to the Division a report concerning the alleged violation and any information collected by the Ombudsman during his or her efforts to assist the parties to resolve the alleged violation.

4. Upon receipt of the report from the Ombudsman, the Division shall conduct an investigation to determine whether good cause exists to proceed with a hearing on the alleged violation.

5. If, after investigating the alleged violation, the Division determines that the allegations in the affidavit are not frivolous, false or fraudulent and that good cause exists to proceed with a hearing on the alleged violation, the Administrator shall file a formal complaint with the Commission and schedule a hearing on the complaint before the Commission or a hearing panel.

Sec. 33. NRS 38.310 is hereby amended to read as follows:

38.310 1. ~~No~~ ***Except as otherwise provided in subsections 2 and 3,*** ***no*** civil action based upon a claim relating to:

(a) The interpretation, application or enforcement of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association; or

(b) The procedures used for increasing, decreasing or imposing additional assessments upon residential property,

➡ may be commenced in any court in this State unless the action has been submitted to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, and, if the civil action concerns real estate within a planned community subject to the provisions of chapter 116 of NRS or real estate within a condominium hotel subject to the provisions of chapter 116B of NRS, all administrative procedures specified in any covenants, conditions or restrictions applicable to the property or in any bylaws, rules and regulations of an association have been exhausted.

2. ***If:***

(a) ***A civil action described in subsection 1 concerns real estate within a planned community subject to the provisions of chapter 116 of NRS and relates to a citation of a unit's owner or a tenant of a unit's owner for a***

violation of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association; and

(b) All administrative procedures specified in any covenants, conditions or restrictions applicable to the property or in any bylaws, rules and regulations of an association have been exhausted,

↳ the unit's owner or tenant may submit the civil action to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, or commence the civil action in a court of competent jurisdiction without complying with the provisions of NRS 38.300 to 38.360, inclusive.

3. *If a civil action described in subsection 1 concerns real estate within a planned community subject to the provisions of chapter 116 of NRS and is brought by an invitee of a unit's owner or a tenant of a unit's owner, the invitee may submit the civil action to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, or commence the civil action in a court of competent jurisdiction without complying with the provisions of NRS 38.300 to 38.360, inclusive.*

4. A court shall dismiss any civil action which is commenced in violation of the provisions of ~~subsection 1.~~ **this section.**

Sec. 34. NRS 38.330 is hereby amended to read as follows:

38.330 1. If all parties named in a written claim filed pursuant to NRS 38.320 agree to have the claim submitted for mediation, the parties shall reduce the agreement to writing and shall select a mediator from the list of mediators maintained by the Division pursuant to NRS 38.340. Any mediator selected must be available within the geographic area. If the parties fail to agree upon a mediator, the Division shall appoint a mediator from the list of mediators maintained by the Division. Any mediator appointed must be available within the geographic area. Unless otherwise provided by an agreement of the parties, mediation must be completed within 60 days after the parties agree to mediation. Any agreement obtained through mediation conducted pursuant to this section must, within 20 days after the conclusion of mediation, be reduced to writing by the mediator and a copy thereof provided to each party. The agreement may be enforced as any other written agreement. ***If a party commences a civil action based upon any claim which was the subject of mediation, the findings of the mediator are not admissible in that action.*** Except as otherwise provided in this section, the parties are responsible for all costs of mediation conducted pursuant to this section.

2. If all the parties named in the claim do not agree to mediation, the parties shall select an arbitrator from the list of arbitrators maintained by the Division pursuant to NRS 38.340. Any arbitrator selected must be available within the geographic area. If the parties fail to agree upon an arbitrator, the Division shall appoint an arbitrator from the list maintained by the Division. Any arbitrator appointed must be available within the geographic area. Upon appointing an arbitrator, the Division shall provide the name of the arbitrator

to each party. An arbitrator shall, not later than 5 days after the arbitrator's selection or appointment pursuant to this subsection, provide to the parties an informational statement relating to the arbitration of a claim pursuant to this section. The written informational statement:

(a) Must be written in plain English;

(b) Must explain the procedures and applicable law relating to the arbitration of a claim conducted pursuant to this section, including, without limitation, the procedures, timelines and applicable law relating to confirmation of an award pursuant to NRS 38.239, vacation of an award pursuant to NRS 38.241, judgment on an award pursuant to NRS 38.243, and any applicable statute or court rule governing the award of attorney's fees or costs to any party; and

(c) Must be accompanied by a separate form acknowledging that the party has received and read the informational statement, which must be returned to the arbitrator by the party not later than 10 days after receipt of the informational statement.

3. The Division may provide for the payment of the fees for a mediator or an arbitrator selected or appointed pursuant to this section from the Account for Common-Interest Communities and Condominium Hotels created by NRS 116.630, to the extent that:

(a) The Commission for Common-Interest Communities and Condominium Hotels approves the payment; and

(b) There is money available in the Account for this purpose.

4. *The fees for a mediator or an arbitrator selected or appointed pursuant to this section must not exceed \$750 and, except as otherwise provided in subsection 3, each party to the mediation or arbitration must pay an equal percentage of the fees for the mediator or arbitrator.*

5. *A party to a mediation or an arbitration conducted pursuant to this section is not liable for the costs or attorney's fees incurred by another party during the mediation or arbitration.*

6. *If a party to a mediation or an arbitration conducted pursuant to this section submits a written statement to the Division alleging that the mediator or arbitrator has a conflict of interest or is biased against that party and submits with the written statement evidence to substantiate the allegation, the Division shall remove the mediator or arbitrator and appoint a mediator or arbitrator from the list maintained by the Division pursuant to NRS 38.340 who is acceptable to each party. A mediator or arbitrator who has been removed by the Division pursuant to this subsection shall refund to the parties any payments made by the parties for the fees of the mediator or arbitrator.*

7. Except as otherwise provided in this section and except where inconsistent with the provisions of NRS 38.300 to 38.360, inclusive, the arbitration of a claim pursuant to this section must be conducted in accordance with the provisions of NRS 38.231, 38.232, 38.233, 38.236 to 38.239, inclusive, 38.242 and 38.243. At any time during the arbitration of a

claim relating to the interpretation, application or enforcement of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association, the arbitrator may issue an order prohibiting the action upon which the claim is based. An award must be made within 30 days after the conclusion of arbitration, unless a shorter period is agreed upon by the parties to the arbitration.

~~{5.}~~ **8.** If all the parties have agreed to nonbinding arbitration, any party to the nonbinding arbitration may, within 30 days after a decision and award have been served upon the parties, commence a civil action in the proper court concerning the claim which was submitted for arbitration. Any complaint filed in such an action must contain a sworn statement indicating that the issues addressed in the complaint have been arbitrated pursuant to the provisions of NRS 38.300 to 38.360, inclusive. ***If an action is commenced within that period, the findings of the arbitrator are not admissible in that action.*** If such an action is not commenced within that period, any party to the arbitration may, within 1 year after the service of the award, apply to the proper court for a confirmation of the award pursuant to NRS 38.239.

~~{6.}~~ **9.** If all the parties agree in writing to binding arbitration, the arbitration must be conducted in accordance with the provisions of this chapter. An award procured pursuant to such binding arbitration may be vacated and a rehearing granted upon application of a party pursuant to the provisions of NRS 38.241.

~~{7.}~~ **10.** If, after the conclusion of binding arbitration, a party:

(a) Applies to have an award vacated and a rehearing granted pursuant to NRS 38.241; or

(b) Commences a civil action based upon any claim which was the subject of arbitration,

↪ the party shall, if the party fails to obtain a more favorable award or judgment than that which was obtained in the initial binding arbitration, pay all costs and reasonable attorney's fees incurred by the opposing party after the application for a rehearing was made or after the complaint in the civil action was filed.

~~{8.}~~ ***If a party commences a civil action based upon any claim which was the subject of arbitration, the findings of the arbitrator are not admissible in that action.***

11. Upon request by a party, the Division shall provide a statement to the party indicating the amount of the fees for a mediator or an arbitrator selected or appointed pursuant to this section.

~~{9.}~~ **12.** As used in this section, "geographic area" means an area within 150 miles from any residential property or association which is the subject of a written claim submitted pursuant to NRS 38.320.

Sec. 34.5. NRS 649.370 is hereby amended to read as follows:

649.370 **1.** A violation of any provision of the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ ~~1682~~ **1692** et seq., or any regulation adopted pursuant thereto, shall be deemed to be a violation of this chapter.

2. Even if a claim is not governed by the federal Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq., a violation of any provision of that Act, or any regulation adopted pursuant thereto, with respect to collecting or attempting to collect a claim owed to a unit-owners' association by a unit's owner shall be deemed to be a violation of this chapter.

Sec. 35. The ~~amendatory~~ provisions of ~~NRS 116.31164, as amended by~~ section ~~22.5~~ of this act ~~1~~ apply only if a notice of default and election to sell is recorded pursuant to NRS 116.31162 on or after July 1, 2011.

Sec. 36. This act becomes effective on July 1, 2011.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 452.

Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 501.

SUMMARY—Revises provisions relating to ~~elections;~~ **governmental administration.** (BDR 24-1136)

AN ACT relating to ~~elections;~~ **governmental administration;** requiring the electronic filing of certain campaign contribution and expenditure reports and statements of financial disclosure; amending the deadlines for filing certain campaign contribution and expenditure reports; **requiring candidates to report certain contributions and expenditures in the aggregate on campaign contribution and expenditure reports; requiring candidates to report the disposal of certain unspent campaign contributions in the aggregate on campaign contribution and expenditure reports;** prohibiting certain former public officers from receiving compensation or other consideration to lobby for 2 years after leaving office; increasing the “cooling-off” period for former members of the Public Utilities Commission of Nevada, the State Gaming Control Board and the Nevada Gaming Commission to lobby on behalf of certain regulated businesses and industries; making various other changes relating to campaign finance; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Sections 2-20 of this bill provide that, except under certain circumstances, campaign contribution and expenditure reports related to candidates for state, county, city and district offices must be filed electronically with the Secretary of State. **Sections 4, 7-11 and 16** also revise the deadlines for filing such reports.

Existing law requires a candidate to report on his or her campaign contribution and expenditure report: (1) each campaign contribution in excess of \$100 received during the reporting period and contributions

received during the period from a contributor which cumulatively exceed \$100; (2) each campaign expense incurred, or expenditure made, in excess of \$100 during the reporting period; and (3) any unspent campaign contribution that is disposed of during the reporting period in excess of \$100. (NRS 294A.120, 294A.125, 294A.200) Sections 4, 5 and 9 of this bill require candidates to report, in the aggregate, contributions, expenses, expenditures or amounts of unspent campaign contributions disposed of which are less than \$100.

Section 18 of this bill requires the Secretary of State to design a form for each campaign contribution and expenditure report rather than requiring the design of a single form for all campaign contribution and expenditure reports in order to accommodate the new electronic filing requirements.

Sections 23-26 and 28-33 of this bill provide that, except under certain circumstances, appointed and elected public officers must file statements of financial disclosure electronically with the Secretary of State rather than the Commission on Ethics.

Under existing law, former members of the Public Utilities Commission of Nevada, the State Gaming Control Board and the Nevada Gaming Commission must observe a 1-year "cooling-off" period prior to appearing before the Public Utilities Commission of Nevada, the State Gaming Control Board or the Nevada Gaming Commission, as applicable, on behalf of certain regulated businesses or industries. (NRS 281A.550) Section 27 of this bill increases this "cooling-off" period to 2 years. Section 22 of this bill prohibits former public officers from receiving compensation or other consideration to lobby any member of the governing body of the State or a political subdivision, as applicable, to which the former public officer was elected or appointed for 2 years after leaving office.

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

Section 1. Chapter 294A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *A candidate who is required to file a report described in subsection 1 of NRS 294A.373 is not required to file the report electronically if the candidate:*

(a) Did not receive or expend money in excess of \$10,000 after becoming a candidate pursuant to NRS 294A.005; and

(b) Has on file with the Secretary of State an affidavit which satisfies the requirements set forth in subsection 2 and which states that:

(1) The candidate does not own or have the ability to access the technology necessary to file electronically the report described in subsection 1 of NRS 294A.373; and

(2) The candidate does not have the financial ability to purchase or obtain access to the technology necessary to file electronically the report described in subsection 1 of NRS 294A.373.

2. *The affidavit described in subsection 1 must be:*

(a) *In the form prescribed by the Secretary of State and signed under penalty of perjury.*

(b) *Filed not later than 15 days before the candidate is required to file a report described in subsection 1 of NRS 294A.373.*

3. *A candidate who is not required to file the report electronically may file the report by transmitting the report by regular mail, certified mail, facsimile machine or personal delivery. A report transmitted pursuant to this subsection shall be deemed to be filed on the date on which it is received by the Secretary of State.*

Sec. 3. 1. *A person, committee, political party, group of persons or business entity that is required to file a report described in subsection 1 of NRS 294A.373 is not required to file the report electronically if the person, committee, political party, group or business entity:*

(a) *Did not receive or expend money in excess of \$10,000 in the previous calendar year; and*

(b) *Has on file with the Secretary of State an affidavit which satisfies the requirements set forth in subsection 2 and which states that:*

(1) *The person, committee, political party, group or business entity does not own or have the ability to access the technology necessary to file electronically the report described in subsection 1 of NRS 294A.373; and*

(2) *The person, committee, political party, group or business entity does not have the financial ability to purchase or obtain access to the technology necessary to file electronically the report described in subsection 1 of NRS 294A.373.*

2. *The affidavit described in subsection 1 must be:*

(a) *In the form prescribed by the Secretary of State and signed under penalty of perjury.*

(b) *Filed:*

(1) *At least 15 days before any report described in subsection 1 of NRS 294A.373 is required to be filed by the person, committee, political party, group or business entity.*

(2) *Not earlier than January 1 and not later than January 15 of each year, regardless of whether or not the person, committee, political party, group or business entity was required to file any report described in subsection 1 of NRS 294A.373 in the previous year.*

3. *A person, committee, political party, group or business entity that has properly filed the affidavit pursuant to this section may file the relevant report with the Secretary of State by transmitting the report by regular mail, certified mail, facsimile machine or personal delivery. A report transmitted pursuant to this subsection shall be deemed to be filed on the date on which it is received by the Secretary of State.*

Sec. 4. NRS 294A.120 is hereby amended to read as follows:

294A.120 1. Every candidate for state, district, county or township office at a primary or general election shall, not later than January 15 of each

year, for the period from January 1 of the previous year through December 31 of the previous year, report ~~each~~ :

(a) Each campaign contribution in excess of \$100 received during the period ~~and contributions~~ ;

(b) Contributions received during the period from a contributor which cumulatively exceed \$100 ~~+~~ ; and

(c) The total of all contributions received during the period which are \$100 or less and which are not otherwise required to be reported pursuant to paragraph (b).

↪ The provisions of this subsection apply to the candidate beginning the year of the general election for that office through the year immediately preceding the next general election for that office.

2. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~12~~ 25 days before the primary election;

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election for that office, for the period from ~~11~~ 24 days before the primary election through ~~12~~ 5 days before the ~~general election~~; and

(c) ~~July 15 of the year of~~ **primary election**;

(c) **Twenty-one days before** the general election for that office, for the period from ~~11~~ 4 days before the ~~general~~ **primary** election through ~~June 30 of that year,~~ 25 days before the general election; and

(d) **Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,**

↪ report each campaign contribution ~~in excess of \$100~~ **described in subsection 1** received during the period . ~~and contributions received during the period from a contributor which cumulatively exceed \$100.~~ The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

3. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~12~~ 25 days before the primary election; ~~and~~

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election for that office, for the period from ~~11~~ 24 days before the primary election through ~~12~~ 5 days before the ~~general election,~~ **primary election**;

(c) *Twenty-one days before the general election for that office, for the period from 4 days before the primary election through 25 days before the general election; and*

(d) *Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,*

→ report each campaign contribution ~~in excess of \$100~~ **described in subsection 1** received during the period . ~~and contributions received during the period from a contributor which cumulatively exceed \$100.~~ The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

4. Except as otherwise provided in subsection 5, every candidate for a district office at a special election shall, not later than:

(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

→ report each campaign contribution ~~in excess of \$100~~ **described in subsection 1** received during the period . ~~and contributions received during the reporting period from a contributor which cumulatively exceed \$100.~~ The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

5. Every candidate for state, district, county, municipal or township office at a special election to determine whether a public officer will be recalled shall list each of the campaign contributions received on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the candidate under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) A district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. ~~Reports~~ **Except as otherwise provided in section 2 of this act, reports** of campaign contributions must be filed **electronically** with the ~~officer with whom the candidate filed the declaration of candidacy or acceptance of candidacy. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means.~~ **Secretary of State.**

7. A report shall be deemed to be filed ~~with the officer:~~

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

~~(b) On~~ **on** the date that it was received by the ~~officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~7. Every county clerk who receives from candidates for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, reports of campaign contributions pursuant to this section shall file a copy of each report with the~~ Secretary of State . ~~[within 10 working days after receiving the report.]~~

8. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the current reporting period.

Sec. 5. NRS 294A.125 is hereby amended to read as follows:

294A.125 1. In addition to complying with the requirements set forth in NRS 294A.120, 294A.200 and 294A.360, a candidate who receives contributions in any year before the year in which the general election or general city election in which the candidate intends to seek election to public office is held shall, for:

(a) The year in which the candidate receives contributions in excess of \$10,000, list ~~each~~ :

(1) Each of the contributions received and the expenditures in excess of \$100 made in that year ~~to~~ ; **and**

(2) The total of all contributions received and expenditures which are \$100 or less.

(b) Each year after the year in which the candidate received contributions in excess of \$10,000, until the year of the general election or general city election in which the candidate intends to seek election to public office is held, list ~~each~~ :

(1) Each of the contributions received and the expenditures in excess of \$100 made in that year ~~to~~ ; **and**

(2) The total of all contributions received and expenditures which are \$100 or less.

2. The reports required by subsection 1 must be submitted on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the list for each contribution in excess of \$100 and contributions that a contributor has made cumulatively in excess of that amount.

4. ~~The~~ **Except as otherwise provided in section 2 of this act, the** report must be filed ~~to~~

~~(a) With the officer with whom the candidate will file the declaration of candidacy or acceptance of candidacy for the public office the candidate~~

~~intends to seek. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means.]~~
electronically with the Secretary of State.

5. A report shall be deemed to be filed ~~[with the officer:~~

~~(1) On the date it was mailed if it was sent by certified mail.~~

~~(2) On] on the date it was received by the [officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~(b) On or before January 15 of the year immediately after the year for which the report is made.~~

~~5. A county clerk who receives from a candidate for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, a report of contributions and expenditures pursuant to subsection 4 shall file a copy of the report with the] Secretary of State . [within 10 working days after receiving the report.]~~

Sec. 6. NRS 294A.128 is hereby amended to read as follows:

294A.128 1. In addition to complying with the requirements set forth in NRS 294A.120, 294A.200 and 294A.360, a candidate who receives a loan which is guaranteed by a third party, forgiveness of a loan previously made to the candidate or a written commitment for a contribution shall, for the period covered by the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360, report:

(a) If a loan received by the candidate was guaranteed by a third party, the amount of the loan and the name and address of each person who guaranteed the loan;

(b) If a loan received by the candidate was forgiven by the person who made the loan, the amount that was forgiven and the name and address of the person who forgave the loan; and

(c) If the candidate received a written commitment for a contribution, the amount committed to be contributed and the name and address of the person who made the written commitment.

2. The reports required by subsection 1 must be submitted on the form designed and ~~[provided]~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

3. ~~[The]~~ **Except as otherwise provided in section 2 of this act, the** reports required by subsection 1 must be filed in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360.

~~[4. A county clerk who receives from a candidate for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, a report pursuant to subsection 1 shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.]~~

Sec. 7. NRS 294A.140 is hereby amended to read as follows:

294A.140 1. Every person who is not under the direction or control of a candidate for office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party, committee sponsored by a political party and business entity which makes an expenditure on behalf of such a candidate or group of candidates shall, not later than January 15 of each year that the provisions of this subsection apply to the person, committee, political party or business entity, for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The provisions of this subsection apply to the person, committee, political party or business entity beginning the year of the general election or general city election for that office through the year immediately preceding the next general election or general city election for that office.

2. Every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of the candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ **25** days before the primary election or primary city election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election for that office, for the period from ~~{11}~~ **24** days before the primary election or primary city election through ~~{12}~~ **5** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election; ~~and~~

~~(c) July 15 of the year of~~

~~(c) Twenty-one days before the general election or general city election for that office, for the period from {11} 4 days before the {general} primary election or {general} primary city election through June 30 of that year, 25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,~~

→ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form

designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of \$100 since the beginning of the current reporting period.

4. Every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~12~~ 25 days before the primary election or primary city election; ~~and~~

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election for that office, for the period from ~~11~~ 24 days before the primary election or primary city election through ~~12~~ 5 days before the ~~general~~ **primary** election or ~~general~~ **primary** city election ~~;~~ ;

(c) **Twenty-one days before the general election or general city election for that office, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

➡ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury.

5. Except as otherwise provided in subsection 6, every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election or on behalf of a group of such candidates shall, not later than:

(a) Seven days before the special election for the office for which the candidate or a candidate in the group of candidates seeks election, for the period from the nomination of the candidate through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

↪ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury.

6. Every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election to determine whether a public officer will be recalled or on behalf of a group of candidates for offices at such special elections shall report each contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the committee, political party or business entity under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

7. ~~The~~ **Except as otherwise provided in section 3 of this act**, the reports of contributions required pursuant to this section must be filed **electronically** with ~~the~~:

~~(a) If the candidate is elected from one county, the county clerk of that county;~~

~~(b) If the candidate is elected from one city, the city clerk of that city; or~~

~~(c) If the candidate is elected from more than one county or city, the~~ Secretary of State.

8. ~~[A person or entity may file the report with the appropriate officer by regular mail, certified mail, facsimile machine or electronic means.]~~ A report shall be deemed to be filed ~~with the officer:~~

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

~~(b) On the date that it was received by the officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

9. ~~Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.~~

~~10.] Secretary of State.~~

9. Every person, committee, political party or business entity described in subsection 1 shall file a report required by this section even if the person, committee, political party or business entity receives no contributions.

Sec. 8. NRS 294A.150 is hereby amended to read as follows:

294A.150 1. Except as otherwise provided in NRS 294A.283, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than January 15 of each year that the provisions of this subsection apply to the person, group of persons or business entity, for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$1,000 received during that period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group or business entity under penalty of perjury. The provisions of this subsection apply to the person, group of persons or business entity:

(a) Each year in which:

(1) An election or city election is held for each question for which the person, group of persons or business entity advocates passage or defeat; or

(2) A person, group of persons or business entity receives or expends money in excess of \$10,000 to advocate the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election; and

(b) The year after each year described in paragraph (a).

2. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. If a question is on the ballot at a general election or general city election held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of

questions shall comply with the requirements of this subsection. A person, group of persons or business entity described in this subsection shall, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ **25** days before the primary election or primary city election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election, for the period from ~~{11}~~ **24** days before the primary election or primary city election through ~~{12}~~ **5** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election; ~~and~~

~~(c) July 15 of the year of~~

(c) Twenty-one days before the general election or general city election, for the period from ~~{11}~~ **4** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election through ~~June 30 of that year,~~ **25 days before the general election or general city election; and**

(d) Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,

→ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group or business entity under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$1,000 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the current reporting period.

4. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. Except as otherwise provided in NRS 294A.283, if a question is on the ballot at a general election or general city election held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends

money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person, group of persons or business entity described in this subsection shall, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ **25** days before the primary election or primary city election; ~~{and}~~

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election, for the period from ~~{11}~~ **24** days before the primary election or primary city election through ~~{12}~~ **5** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election ~~{;}~~ ;

(c) **Twenty-one days before the general election or general city election, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

➡ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and ~~{provided}~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group or business entity under penalty of perjury.

5. Except as otherwise provided in subsection 6, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a question or group of questions on the ballot at a special election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than:

(a) Seven days before the special election, for the period from the date that the question qualified for the ballot through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➡ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and ~~{provided}~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group or business entity under penalty of perjury.

6. Every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a question or group of questions on the ballot at a special election to determine whether

a public officer will be recalled and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall report each of the contributions received on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group or business entity under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

7. ~~The~~ **Except as otherwise provided in section 3 of this act, the** reports required pursuant to this section must be filed **electronically** with ~~the~~:

~~(a) If the question is submitted to the voters of one county, the county clerk of that county;~~

~~(b) If the question is submitted to the voters of one city, the city clerk of that city; or~~

~~(c) If the question is submitted to the voters of more than one county or city,~~ the Secretary of State.

8. ~~[A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile machine or electronic means.]~~ A report shall be deemed to be filed ~~[with the officer:~~

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

~~(b) On] on the date that it was received by the [officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.]~~ **Secretary of State.**

9. If the person or group of persons, including a business entity, is advocating passage or defeat of a group of questions, the reports must be itemized by question or petition.

~~[10. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.]~~

Sec. 9. NRS 294A.200 is hereby amended to read as follows:

294A.200 1. Every candidate for state, district, county or township office at a primary or general election shall, not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year, report ~~[each]~~ :

(a) Each of the campaign expenses in excess of \$100 incurred ~~[and each]~~ **during the period;**

(b) Each amount in excess of \$100 disposed of pursuant to NRS 294A.160 **during the period;**

(c) The total of all campaign expenses incurred during the period which are \$100 or less; and

(d) The total of all amounts disposed of during the period **pursuant to NRS 294A.160 which are \$100 or less,**

↪ on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the candidate under penalty of perjury.

2. The provisions of ~~this~~ subsection 1 apply to the candidate:

(a) Beginning the year of the general election for that office through the year immediately preceding the next general election for that office; and

(b) Each year immediately succeeding a calendar year during which the candidate disposes of contributions pursuant to NRS 294A.160.

~~121~~ **3.** Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~121~~ 25 days before the primary election;

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election for that office, for the period from ~~111~~ 24 days before the primary election through ~~121~~ 5 days before the ~~general~~ **primary** election; ~~and~~

(c) ~~July 15 of the year of~~ **Twenty-one days before** the general election for that office, for the period from ~~111~~ 4 days before the ~~general~~ **primary** election through ~~June 30 of that year,~~ **25 days before the general election;** **and**

(d) Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,

↪ report each of the campaign expenses ~~in excess of \$100~~ **described in subsection 1** incurred during the period on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

~~121~~ **4.** Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~121~~ 25 days before the primary election; ~~and~~

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election for that office, for the period from ~~111~~ 24 days before the primary election through ~~121~~ 5 days before the ~~general~~ **primary** election ~~;~~ ;

(c) Twenty-one days before the general election for that office, for the period from 4 days before the primary election through 25 days before the general election; and

(d) Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,

↪ report each of the campaign expenses ~~in excess of \$100~~ **described in subsection 1** incurred during the period on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the candidate under penalty of perjury.

~~4.4~~ **5.** Except as otherwise provided in subsection ~~5.4~~ **6**, every candidate for a district office at a special election shall, not later than:

(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

↪ report each of the campaign expenses ~~in excess of \$100~~ **described in subsection 1** incurred during the period on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

~~5.4~~ **6.** Every candidate for state, district, county, municipal or township office at a special election to determine whether a public officer will be recalled shall report each of the campaign expenses ~~in excess of \$100~~ **described in subsection 1** incurred on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the candidate under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

~~6.4~~ **7.** ~~Reports~~ **Except as otherwise provided in section 2 of this act, reports** of campaign expenses must be filed **electronically** with the ~~officer with whom the candidate filed the declaration of candidacy or acceptance of candidacy. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means.~~ **Secretary of State.**

~~7.4~~ **8.** A report shall be deemed to be filed ~~with the officer:~~

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

(b) ~~On~~ **on** the date that it was received by the ~~officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~7.—County clerks who receive from candidates for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, reports of campaign expenses pursuant to this section shall file a copy of each report with the~~ Secretary of State ~~. [within 10 working days after receiving the report.]~~

Sec. 10. NRS 294A.210 is hereby amended to read as follows:

294A.210 1. Every person who is not under the direction or control of a candidate for an office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party, committee sponsored by a political party or business entity which makes an expenditure on behalf of such a candidate or group of candidates shall, not later than January 15 of each year that the provisions of this subsection apply to the person, committee, political party or business entity, for the period from January 1 of the previous year through December 31 of the previous year, report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury. The provisions of this subsection apply to the person, committee, political party or business entity beginning the year of the general election or general city election for that office through the year immediately preceding the next general election or general city election for that office.

2. Every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~12~~ **25** days before the primary election or primary city election;

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election for that office, for the period from ~~11~~ **24** days before the primary election or primary city election through ~~12~~ **5** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election; ~~and~~

(c) ~~July 15 of the year of~~ **Twenty-one days before** the general election or general city election for that office, for the period from ~~11~~ **4** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election through ~~the June 30 of that year,~~ **25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election for that office, for the period from 24 days before the general election or general**

city election through 5 days before the general election or general city election,

↪ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury.

3. Every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~12~~ 25 days before the primary election or primary city election; ~~and~~

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election for that office, for the period from ~~11~~ 24 days before the primary election or primary city election through ~~12~~ 5 days before the ~~general~~ **primary** election or ~~general~~ **primary** city election ~~;~~ ;

(c) **Twenty-one days before the general election or general city election for that office, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

↪ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury.

4. Except as otherwise provided in subsection 5, every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election or on behalf of a group of such candidates shall, not later than:

(a) Seven days before the special election for the office for which the candidate or a candidate in the group of candidates seeks election, for the period from the nomination of the candidate through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

↪ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee, political party or business entity under penalty of perjury.

5. Every person, committee, political party or business entity described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election to determine whether a public officer will be recalled or on behalf of a group of such candidates shall list each expenditure made on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the committee, political party or business entity under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

7. ~~The~~ **Except as otherwise provided in section 3 of this act, the** reports must be filed **electronically** with ~~the~~:

~~(a) If the candidate is elected from one county, the county clerk of that county;~~

~~(b) If the candidate is elected from one city, the city clerk of that city; or~~

~~(c) If the candidate is elected from more than one county or city, the~~ Secretary of State.

8. If an expenditure is made on behalf of a group of candidates, the reports must be itemized by the candidate. ~~A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile machine or electronic means.~~

9. A report shall be deemed to be filed ~~with the officer:~~

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

~~(b) On the date that it was received by the officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State . [within 10 working days after receiving the report.~~

~~10.]~~ Every person, committee, political party or business entity described in subsection 1 shall file a report required by this section even if the person, committee, political party or business entity receives no contributions.

Sec. 11. NRS 294A.220 is hereby amended to read as follows:

294A.220 1. Except as otherwise provided in NRS 294A.283, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than January 15 of each year that the provisions of this subsection apply to the person or group of persons, for the period from January 1 of the previous year through December 31 of the previous year, report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group or business entity under penalty of perjury. The provisions of this subsection apply to the person, group of persons or business entity:

(a) Each year in which:

(1) An election or city election is held for a question for which the person, group of persons or business entity advocates passage or defeat; or

(2) A person, group of persons or business entity receives or expends money in excess of \$10,000 to advocate the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election; and

(b) The year after each year described in paragraph (a).

2. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. If a question is on the ballot at a general election or general city election held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the

question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person, group of persons or business entity described in this subsection shall, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ **25** days before the primary election or primary city election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election, for the period from ~~{11}~~ **24** days before the primary election or primary city election through ~~{12}~~ **5** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election; ~~and~~

~~(c) July 15 of the year of~~

(c) **Twenty-one days before** the general election or general city election, for the period from ~~{11}~~ **4** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election through ~~{the June 30 immediately preceding that July 15,}~~ **25 days before the general election or general city election;** ~~and~~

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

→ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and ~~{provided}~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group or business entity under penalty of perjury.

3. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. Except as otherwise provided in NRS 294A.283, if a question is on the ballot at a general election or general city election held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of

this subsection. A person, group of persons or business entity described in this subsection shall, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ 25 days before the primary election or primary city election; ~~and~~

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election, for the period from ~~{11}~~ 24 days before the primary election or primary city election through ~~{12}~~ 5 days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election ~~{,}~~ ;

(c) **Twenty-one days before the general election or general city election, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

➡ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and ~~{provided}~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group or business entity under penalty of perjury.

4. Except as otherwise provided in subsection 5, every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a question or group of questions on the ballot at a special election shall, not later than:

(a) Seven days before the special election, for the period from the date the question qualified for the ballot through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➡ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and ~~{provided}~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group or business entity under penalty of perjury.

5. Every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a question or group of questions on the ballot at a special election to determine whether a public officer will be recalled and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall list each expenditure made during the period on behalf of or against the question, the group of questions or a

question in the group of questions on the ballot in excess of \$1,000 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group or business entity under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

7. ~~The~~ **Except as otherwise provided in section 3 of this act**, reports required pursuant to this section must be filed **electronically** with ~~the~~

~~(a) If the question is submitted to the voters of one county, the county clerk of that county;~~

~~(b) If the question is submitted to the voters of one city, the city clerk of that city; or~~

~~(c) If the question is submitted to the voters of more than one county or city, the Secretary of State.~~

8. If an expenditure is made on behalf of a group of questions, the reports must be itemized by question or petition. ~~A person may mail or transmit the report to the appropriate filing officer by regular mail, certified mail, facsimile machine or electronic means.~~

9. A report shall be deemed to be filed ~~with the filing officer:~~

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

~~(b) On the date that it was received by the filing officer if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State . within 10 working days after receiving the report.~~

Sec. 12. NRS 294A.270 is hereby amended to read as follows:

294A.270 1. Except as otherwise provided in subsection 3, each committee for the recall of a public officer shall, not later than:

(a) Seven days before the special election to recall a public officer, for the period from the filing of the notice of intent to circulate the petition for recall through 12 days before the special election; and

(b) Thirty days after the election, for the remaining period through the election,

➡ report each contribution received or made by the committee in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary

of State pursuant to NRS 294A.373. The form must be signed by a representative of the committee under penalty of perjury.

2. If a petition for the purpose of recalling a public officer is not filed before the expiration of the notice of intent, the committee for the recall of a public officer shall, not later than 30 days after the expiration of the notice of intent, report each contribution received by the committee, and each contribution made by the committee in excess of \$100.

3. If a court does not order a special election for the recall of the public officer, the committee for the recall of a public officer shall, not later than 30 days after the court determines that an election will not be held, for the period from the filing of the notice of intent to circulate the petition for recall through the day the court determines that an election will not be held, report each contribution received by the committee, and each contribution made by the committee in excess of \$100.

4. ~~Each~~ **Except as otherwise provided in section 3 of this act, each** report of contributions must be filed **electronically** with the Secretary of State. ~~The committee may mail or transmit the report by regular mail, certified mail, facsimile machine or electronic means.~~

5. A report shall be deemed to be filed ~~with the Secretary of State:~~

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

~~(b) On the date that it was received by the Secretary of State . If the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~5.1~~ 6. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution, whether from or to a natural person, association or corporation, in excess of \$100 and contributions which a contributor or the committee has made cumulatively in excess of that amount since the beginning of the current reporting period.

Sec. 13. NRS 294A.280 is hereby amended to read as follows:

294A.280 1. Except as otherwise provided in subsection 3, each committee for the recall of a public officer shall, not later than:

(a) Seven days before the special election to recall a public officer, for the period from the filing of the notice of intent to circulate the petition for recall through 12 days before the special election; and

(b) Thirty days after the election, for the remaining period through the election,

➤ report each expenditure made by the committee in excess of \$100 on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. The form must be signed by a representative of the committee under penalty of perjury.

2. If a petition for the purpose of recalling a public officer is not filed before the expiration of the notice of intent, the committee for the recall of a public officer shall, not later than 30 days after the expiration of the notice of intent, report each expenditure made by the committee in excess of \$100.

3. If a court does not order a special election for the recall of the public officer, the committee for the recall of a public officer shall, not later than 30 days after the court determines that an election will not be held, for the period from the filing of the notice of intent to circulate the petition for recall through the day the court determines that an election will not be held, report each expenditure made by the committee in excess of \$100.

4. ~~Each~~ ***Except as otherwise provided in section 3 of this act, each*** report of expenditures must be filed ***electronically*** with the Secretary of State. ~~{The committee may mail or transmit the report to the Secretary of State by regular mail, certified mail, facsimile machine or electronic means.}~~

5. A report shall be deemed to be filed ~~{with the Secretary of State:~~

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

~~(b) On} on the date that it was received by the Secretary of State . {if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.}~~

Sec. 14. NRS 294A.283 is hereby amended to read as follows:

294A.283 1. Every person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, including, without limitation, the initiation or circulation thereof, and who receives or expends money in an amount in excess of \$10,000 for such advocacy shall, not later than the dates listed in subsection 2, report:

(a) Each campaign contribution in excess of \$1,000 received during each period described in subsection 2;

(b) Contributions received during each period described in subsection 2 from a contributor which cumulatively exceed \$1,000;

(c) Each expenditure in excess of \$1,000 the person, group of persons or business entity makes during each period described in subsection 2; and

(d) The total amount of money the person, group of persons or business entity has at the beginning of each period described in subsection 2, accounting for all contributions received and expenditures made during each previous period.

2. Every person, group of persons or business entity required to report pursuant to subsection 1 shall file that report with the Secretary of State:

(a) For the period beginning on the first day a copy of the petition may be filed with the Secretary of State before it is circulated for signatures pursuant to Section 1 or Section 2 of Article 19 of the Nevada Constitution, as applicable, and ending on the following March 31, not later than April 15;

(b) For the period beginning on April 1 and ending on July 31, not later than August 15;

(c) For the period beginning on August 1 and ending on September 30, not later than October 15; and

(d) For the period beginning on October 1 and ending on December 31, not later than the following January 15.

3. The name and address of the contributor and the date on which the contribution was received must be included on each report for each contribution in excess of \$1,000 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the applicable reporting period.

4. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in each report.

5. Each report required pursuant to this section must:

(a) Be on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373; and

(b) Be signed by the person or a representative of the group of persons or business entity under penalty of perjury.

6. ~~[A] Except as otherwise provided in section 3 of this act, a~~ person, group of persons or business entity ~~may mail or transmit~~ **shall file** each report ~~to~~ **electronically with** the Secretary of State. ~~[By certified mail, regular mail, facsimile machine or electronic means or may deliver the report personally.]~~

7. A report shall be deemed to be filed ~~with the Secretary of State:~~

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

~~(b) On the date that it was received by the Secretary of State. [if the report was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.]~~

Sec. 15. NRS 294A.286 is hereby amended to read as follows:

294A.286 1. A person who administers a legal defense fund shall:

(a) Within 5 days after the creation of the legal defense fund, notify the Secretary of State of the creation of the fund on a form provided by the Secretary of State; and

(b) For the same period covered by the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360, report any contribution received by or expenditure made from the legal defense fund.

2. The reports required by paragraph (b) of subsection 1 must be submitted on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the administrator of the legal defense fund under penalty of perjury.

3. ~~[The] Except as otherwise provided in section 2 of this act, the~~ reports required by paragraph (b) of subsection 1 must be filed in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360.

Sec. 16. NRS 294A.360 is hereby amended to read as follows:

294A.360 1. ~~Every] Except as otherwise provided in section 2 of this act, every~~ candidate for city office at a primary city election or general city election shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than January 15 of each

year, for the period from January 1 of the previous year through December 31 of the previous year. The provisions of this subsection apply to the candidate:

(a) Beginning the year of the general city election for that office through the year immediately preceding the next general city election for that office; and

(b) Each year immediately succeeding a calendar year during which the candidate disposes of contributions pursuant to NRS 294A.160.

2. ~~Every~~ ***Except as otherwise provided in section 2 of this act, every*** candidate for city office at a primary city election or general city election, if the general city election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than:

(a) ~~Seven~~ ***Twenty-one*** days before the primary city election for that office, for the period from the January 1 immediately preceding the primary city election through ~~12~~ ***25*** days before the primary city election;

(b) ~~Seven~~ ***Four*** days before the ~~general~~ ***primary*** city election for that office, for the period from ~~11~~ ***24*** days before the primary city election through ~~12~~ ***5*** days before the ~~general~~ ***primary*** city election; ~~and~~

~~(c) July 15 of the year of~~

(c) ***Twenty-one days before*** the general city election for that office, for the period from ~~11~~ ***4*** days before the ~~general~~ ***primary*** city election through ~~the June 30 of that year.~~ ***25 days before the general city election; and***

(d) ***Four days before the general city election for that office, for the period from 24 days before the general city election through 5 days before the general city election.***

3. ~~Every~~ ***Except as otherwise provided in section 2 of this act, every*** candidate for city office at a primary city election or general city election, if the general city election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than:

(a) ~~Seven~~ ***Twenty-one*** days before the primary city election for that office, for the period from the January 1 immediately preceding the primary city election through ~~12~~ ***25*** days before the primary city election; ~~and~~

(b) ~~Seven~~ ***Four*** days before the ~~general~~ ***primary*** city election for that office, for the period from ~~11~~ ***24*** days before the primary city election through ~~12~~ ***5*** days before the ~~general~~ ***primary*** city election ~~1~~;

(c) ***Twenty-one days before the general city election for that office, for the period from 4 days before the primary city election through 25 days before the general city election; and***

(d) ***Four days before the general city election for that office, for the period from 24 days before the general city election through 5 days before the general city election.***

4. Except as otherwise provided in subsection 5, every candidate for city office at a special election shall so file those reports:

(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election.

5. Every candidate for city office at a special election to determine whether a public officer will be recalled shall so file those reports 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

Sec. 17. NRS 294A.362 is hereby amended to read as follows:

294A.362 1. In addition to reporting information pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.360, each candidate who is required to file a report of campaign contributions and expenses pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.200 or 294A.360 shall report on the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373 goods and services provided in kind for which money would otherwise have been paid. The candidate shall list on the form ~~each~~:

(a) Each such campaign contribution in excess of \$100 received during the reporting period ~~each~~;

(b) Each such campaign contribution from a contributor received during the reporting period which cumulatively exceeds \$100 ~~and each~~;

(c) Each such expense in excess of \$100 incurred during the reporting period ~~it~~;

(d) The total of all such campaign contributions received during the reporting period which are \$100 or less and which are not otherwise required to be reported pursuant to paragraph (b); and

(e) The total of all such expenses incurred during the reporting period which are \$100 or less.

2. The Secretary of State and each city clerk shall not require a candidate to list the campaign contributions and expenses described in this section on any form other than the form designed and ~~provided~~ **made available** by the Secretary of State pursuant to NRS 294A.373.

3. Except as otherwise provided in section 2 of this act, the report required by subsection 1 must be filed in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.200 or 294A.360.

Sec. 18. NRS 294A.373 is hereby amended to read as follows:

294A.373 1. The Secretary of State shall design ~~the single form~~ **forms** to be used for all reports of campaign contributions and expenses or expenditures that are required to be filed pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283, 294A.360 and 294A.362 and reports of contributions received by and expenditures made from a legal defense fund that are required to be filed pursuant to NRS 294A.286.

2. The ~~form~~ **forms** designed by the Secretary of State pursuant to this section must only request information specifically required by statute.

3. ~~Upon request, the~~ **The** Secretary of State shall ~~provide~~ **make available to each candidate, person, committee, political party, group of persons or business entity that is required to file a report described in subsection 1:**

(a) *If the candidate, person, committee, political party, group or business entity has submitted an affidavit to the Secretary of State pursuant to section 2 or 3 of this act, as applicable,* a copy of the form ~~designed pursuant to this section to each person, committee, political party, group and business entity that is required to file a report described in subsection 1.~~ ; or

(b) *If the candidate, person, committee, political party, group or business entity is required to submit the report electronically to the Secretary of State, access through a secure website to the form.*

4. *If the candidate, person, committee, political party, group of persons or business entity is required to submit electronically a report described in subsection 1, the form must be signed electronically under penalty of perjury.*

5. The Secretary of State must obtain the advice and consent of the Legislative Commission before ~~providing~~ **making** a copy of , **or access to,** a form designed or revised by the Secretary of State pursuant to this section **available to a candidate, person, committee, political party, group of persons or business entity .** ~~that is required to use the form.~~

Sec. 19. NRS 294A.390 is hereby amended to read as follows:

294A.390 The officer from whom a candidate or entity requests a form for:

1. A declaration of candidacy;
2. An acceptance of candidacy;
3. The registration of a committee for political action pursuant to NRS 294A.230, a committee for the recall of a public officer pursuant to NRS 294A.250 or a business entity that wishes to engage in certain political activity pursuant to NRS 294A.227; **or**
4. The reporting of the creation of a legal defense fund pursuant to NRS 294A.286 , ~~;~~ **or**

~~5. The reporting of campaign contributions, expenses or expenditures pursuant to NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 or 294A.360 and the~~

~~reporting of contributions received by and expenditures made from a legal defense fund pursuant to NRS 294A.286,]~~

↪ shall furnish the candidate **or entity** with the necessary forms for reporting and copies of the regulations adopted by the Secretary of State pursuant to this chapter. An explanation of the applicable provisions of NRS 294A.100, 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 or 294A.360 relating to the making, accepting or reporting of campaign contributions, expenses or expenditures and the penalties for a violation of those provisions as set forth in NRS 294A.100 or 294A.420, and an explanation of NRS 294A.286 and 294A.287 relating to the accepting or reporting of contributions received by and expenditures made from a legal defense fund and the penalties for a violation of those provisions as set forth in NRS 294A.287 and 294A.420, must be developed by the Secretary of State and provided upon request. The candidate or entity shall acknowledge receipt of the material.

Sec. 20. NRS 294A.400 is hereby amended to read as follows:

294A.400 The Secretary of State shall, within 30 days after receipt of the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 , ~~and~~ 294A.286, **294A.360 and 294A.362**, prepare and make available for public inspection a compilation of:

1. The total campaign contributions, the contributions which are in excess of \$100 and the total campaign expenses of each of the candidates from whom reports of those contributions and expenses are required.

2. The total amount of loans to a candidate guaranteed by a third party, the total amount of loans made to a candidate that have been forgiven and the total amount of written commitments for contributions received by a candidate.

3. The contributions made to a committee for the recall of a public officer in excess of \$100.

4. The expenditures exceeding \$100 made by a:

(a) Person on behalf of a candidate other than the person.
(b) Group of persons or business entity advocating the election or defeat of a candidate.

(c) Committee for the recall of a public officer.

5. The contributions in excess of \$100 made to:

(a) A person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group.

(b) A committee for political action, political party, committee sponsored by a political party or business entity which makes an expenditure on behalf of a candidate or group of candidates.

6. The contributions in excess of \$1,000 made to and the expenditures exceeding \$1,000 made by a:

(a) Person or group of persons organized formally or informally, including a business entity who advocates the passage or defeat of a question or group of questions on the ballot and who receives or expends money in an amount in excess of \$10,000 for such advocacy, except as otherwise provided in paragraph (b).

(b) Person or group of persons organized formally or informally, including a business entity, who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, including, without limitation, the initiation or circulation thereof, and who receives or expends money in an amount in excess of \$10,000 for such advocacy.

7. The total contributions received by and expenditures made from a legal defense fund.

Sec. 21. Chapter 281A of NRS is hereby amended by adding thereto the provisions set forth as sections 22 and 23 of this act.

Sec. 22. 1. *Except as otherwise provided in subsection 2, a former public officer shall not receive compensation or other consideration to:*

(a) Appear in person in the building in which the governing body holds meetings; and

(b) Communicate directly with a member of the governing body on behalf of someone other than himself or herself to influence legislative action,

↪ for a period of 2 years after the end of his or her term of office or appointment.

2. The provisions of subsection 1 do not apply to a former public officer in any of the following circumstances:

(a) The former public officer is an employee of a bona fide news medium who engages in conduct described in subsection 1 only in the course of his or her professional duties and who contacts members of the governing body for the sole purpose of carrying out his or her news gathering function.

(b) The former public officer is now an officer or employee of a governing body other than the governing body to which the former public officer was elected or appointed, if the appearance or communication is for the purpose of influencing legislative action on behalf of that governing body.

(c) The former public officer is an elected officer of this State or a political subdivision who confines his or her appearance or communication with the governing body to issues directly related to the scope of the office to which he or she was elected.

3. *As used in this section:*

(a) "Consideration" means a gift, salary, payment, distribution, loan, advance or deposit of money or anything of value and includes, without limitation, a contract, promise or agreement, whether or not legally enforceable.

(b) "Governing body" means the legislative body of the State or political subdivision to which the former public officer was elected or appointed, or any standing committee thereof.

(c) "Legislative action" means introduction, sponsorship, debate, voting and any other official action on any bill, resolution, ordinance, amendment, nomination, appointment, report and any other matter pending before or proposed by a governing body, or on any matter which may be the subject of action by the governing body.

Sec. 23. 1. A candidate or public officer who is required to file a statement of financial disclosure with the Secretary of State pursuant to NRS 281A.600 or 281A.610 is not required to file the statement electronically if the candidate or public officer has on file with the Secretary of State an affidavit which satisfies the requirements set forth in subsection 2 and which states that:

(a) The candidate or public officer does not own or have the ability to access the technology necessary to file electronically the statement of financial disclosure; and

(b) The candidate or public officer does not have the financial ability to purchase or obtain access to the technology necessary to file electronically the statement of financial disclosure.

2. The affidavit described in subsection 1 must be:

(a) In the form prescribed by the Secretary of State and signed under penalty of perjury.

(b) Except as otherwise provided in subsection 4, filed not less than 15 days before the statement of financial disclosure is required to be filed.

3. A candidate or public officer who is not required to file the statement of financial disclosure electronically may file the statement of financial disclosure by transmitting the statement by regular mail, certified mail, facsimile machine or personal delivery. A statement of financial disclosure transmitted pursuant to this subsection shall be deemed to be filed on the date that it was received by the Secretary of State.

4. A person who is appointed to fill the unexpired term of an elected or appointed public officer must file the affidavit described in subsection 1 not later than 15 days after his or her appointment to be exempted from the requirement of filing a report electronically.

Sec. 24. 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.~~

Sec. 25. 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.

2. Prescribe, by regulation, ~~forms for the submission of statements of financial disclosure and procedures for the submission 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 ~~and~~ **, other than cases of noncompliance with NRS 281A.600, 281A.610 and 281A.620.**

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. 26. NRS 281A.470 is hereby amended to read as follows:

281A.470 1. Any department, board, commission or other agency of the State 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 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; and

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

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. 27. NRS 281A.550 is hereby amended to read as follows:

281A.550 1. 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 ~~for 1 year after the termination of the member's service on the Public Utilities Commission of Nevada;~~ 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~~

~~for 1 year~~ **for 2 years** after the termination of the member's service on the Public Utilities Commission of Nevada.

2. 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 ~~for 2 years after the termination of the member's service on the State Gaming Control Board or the Nevada Gaming Commission;~~ or

(b) Be employed by such a person ~~for~~

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

3. In addition to the prohibitions set forth in subsections 1 and 2, and except as otherwise provided in subsections 4 and 6, a former public officer or employee of a board, commission, department, division or other agency of the Executive Department of State Government, except a clerical employee, shall not solicit or accept employment from a business or industry whose activities are governed by regulations adopted by the board, commission, department, division or other 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 the 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 the business or industry which might, but for this section, employ the former public officer or employee; 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 business competitor.

4. The provisions of subsection 3 do not apply to a former public officer who was a member of a board, commission or similar body of the State if:

(a) The former public officer is engaged in the profession, occupation or business regulated by the board, commission or similar body;

(b) The former public officer holds a license issued by the board, commission or similar body; and

(c) Holding a license issued by the board, commission or similar body is a requirement for membership on the board, commission or similar body.

5. Except as otherwise provided in subsection 6, a former public officer or employee of the State or a political subdivision, 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 State or political subdivision, as applicable, for 1 year after the termination of the 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 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.

6. A current or former public officer or employee may request that the Commission apply the relevant facts in that person's case to the provisions of subsection 3 or 5, as applicable, and determine whether relief from the strict application of those provisions is proper. If the Commission determines that relief from the strict application of the provisions of subsection 3 or 5, as applicable, is not contrary to:

(a) The best interests of the public;

(b) The continued ethical integrity of the State Government or political subdivision, as applicable; and

(c) The provisions of this chapter,

↳ it may issue an opinion to that effect and grant such relief. The opinion of the Commission in such a case is 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 current or former public officer or employee.

7. Each request for an opinion that a current or former public officer or employee submits to the Commission pursuant to subsection 6, each opinion rendered by the Commission in response to such a request and any motion, determination, evidence or record of a hearing relating to such a request are confidential unless the current or former public officer or employee who requested the opinion:

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

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

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

8. A meeting or hearing that the Commission or an investigatory panel holds to receive information or evidence concerning the propriety of the conduct of a current or former 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.

9. As used in this section, “regulation” has the meaning ascribed to it in NRS 233B.038 and also includes regulations adopted by a board, commission, department, division or other agency of the Executive Department of State Government that is exempted from the requirements of chapter 233B of NRS.

Sec. 28. NRS 281A.600 is hereby amended to read as follows:

281A.600 1. Except as otherwise provided in ~~subsection 2,~~ **subsections 2 and 3 and section 23 of this act**, if a public officer who was appointed to the office for which the public officer is serving is entitled to receive annual compensation of \$6,000 or more for serving in that office, the public officer shall file **electronically** with the ~~Commission~~ **Secretary of State** a statement of financial disclosure, as follows:

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

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

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

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

3. A judicial officer who is appointed to fill the unexpired term of a predecessor or to fill a newly created judgeship shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281A.620.

4. ~~The Commission shall provide written notification to the Secretary of State of the public officers who failed to file the statements of financial disclosure required by subsection 1 or who failed to file those statements in a timely manner. The notice must be sent within 30 days after the deadlines set forth in subsection 1 and must include:~~

~~(a) The name of each public officer who failed to file a statement of financial disclosure within the period before the notice is sent;~~

~~(b) The name of each public officer who filed a statement of financial disclosure after the deadlines set forth in subsection 1 but within the period before the notice is sent;~~

~~(c) For the first notice sent after the public officer filed a statement of financial disclosure, the name of each public officer who filed a statement of financial disclosure after the deadlines set forth in subsection 1 but within the period before the notice is sent; and~~

~~(d) For each public officer listed in paragraph (c), the date on which the statement of financial disclosure was due and the date on which the public officer filed the statement.~~

~~5. In addition to the notice provided pursuant to subsection 4, the Commission shall notify the Secretary of State of each public officer who files a statement of financial disclosure more than 30 days after the deadlines set forth in subsection 1. The notice must include the information described in paragraphs (c) and (d) of subsection 4.~~

~~6.} A statement of financial disclosure shall be deemed to be filed {with the Commission:~~

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

~~(b) On} on the date that it was received by the {Commission if the statement was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.} Secretary of State.~~

5. Except as otherwise provided in section 23 of this act, the Secretary of State shall provide access through a secure website to the statement of financial disclosure to each person who is required to file the statement with the Secretary of State pursuant to this section.

6. The Secretary of State may adopt regulations necessary to carry out the provisions of this section.

Sec. 29. NRS 281A.610 is hereby amended to read as follows:

281A.610 1. Except as otherwise provided in ~~{subsection 2,}~~ **subsections 2 and 3 and section 23 of this act**, each candidate for public office who will be entitled to receive annual compensation of \$6,000 or more for serving in the office that the candidate is seeking and, except as otherwise provided in subsection 3, each public officer who was elected to the office for which the public officer is serving shall file **electronically** with the Secretary of State a statement of financial disclosure, as follows:

(a) A candidate for nomination, election or reelection to public office shall file a statement of financial disclosure no later than the 10th day after the last day to qualify as a candidate for the office. The statement must disclose the required information for the full calendar year immediately preceding the date of filing and for the period between January 1 of the year in which the election for the office will be held and the last day to qualify as a candidate for the office. The filing of a statement of financial disclosure for a portion of a calendar year pursuant to this paragraph does not relieve the candidate of

the requirement of filing a statement of financial disclosure for the full calendar year pursuant to paragraph (b) in the immediately succeeding year, if the candidate is elected to the office.

(b) Each public officer shall file a statement of financial disclosure on or before January 15 of each year of the term, including the year the term expires. The statement must disclose the required information for the full calendar year immediately preceding the date of filing.

2. Except as otherwise provided in this subsection, if a candidate for public office is serving in a public office for which the candidate is required to file a statement pursuant to paragraph (b) of subsection 1 or subsection 1 of NRS 281A.600, the candidate need not file the statement required by subsection 1 for the full calendar year for which the candidate previously filed a statement. The provisions of this subsection do not relieve the candidate of the requirement pursuant to paragraph (a) of subsection 1 to file a statement of financial disclosure for the period between January 1 of the year in which the election for the office will be held and the last day to qualify as a candidate for the office.

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

4. A candidate for judicial office or a judicial officer shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281A.620.

5. A statement of financial disclosure shall be deemed to be filed ~~with the Secretary of State:~~

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

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

~~6. The statement of financial disclosure filed pursuant to this section must be filed on the form prescribed by the Commission pursuant to NRS 281A.290.~~

~~7. The~~

6. Except as otherwise provided in section 23 of this act, the Secretary of State shall ~~prescribe, by regulation, procedures for the submission of statements of financial disclosure filed pursuant to this section, maintain files of such statements and make the statements available for public inspection.~~ provide access through a secure website to the statement of financial disclosure to each person who is required to file the statement with the Secretary of State pursuant to this section.

7. The Secretary of State may adopt regulations necessary to carry out the provisions of this section.

Sec. 30. NRS 281A.620 is hereby amended to read as follows:

281A.620 1. Statements of financial disclosure, as approved pursuant to NRS 281A.470 or in such **electronic** form as the ~~Commission~~ **Secretary of State** otherwise prescribes, must contain the following information concerning the candidate for public office or public officer:

(a) The candidate's or public officer's length of residence in the State of Nevada and the district in which the candidate for public office or public officer is registered to vote.

(b) Each source of the candidate's or public officer's income, or that of any member of the candidate's or public officer's household who is 18 years of age or older. No listing of individual clients, customers or patients is required, but if that is the case, a general source such as "professional services" must be disclosed.

(c) A list of the specific location and particular use of real estate, other than a personal residence:

(1) In which the candidate for public office or public officer or a member of the candidate's or public officer's household has a legal or beneficial interest;

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

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

(d) The name of each creditor to whom the candidate for public office or public officer or a member of the candidate's or public officer's household owes \$5,000 or more, except for:

(1) A debt secured by a mortgage or deed of trust of real property which is not required to be listed pursuant to paragraph (c); and

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

(e) If the candidate for public office or public officer has received gifts in excess of an aggregate value of \$200 from a donor during the preceding taxable year, a list of all such gifts, including the identity of the donor and value of each gift, except:

(1) A gift received from a person who is related to the candidate for public office or public officer within the third degree of consanguinity or affinity.

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

(f) A list of each business entity with which the candidate for public office or public officer or a member of the candidate's or public officer's household is involved as a trustee, beneficiary of a trust, director, officer, owner in whole or in part, limited or general partner, or holder of a class of stock or security representing 1 percent or more of the total outstanding stock or securities issued by the business entity.

(g) A list of all public offices presently held by the candidate for public office or public officer for which this statement of financial disclosure is required.

2. ~~The [Commission shall distribute or cause to be distributed the forms required for such a statement to each candidate for public office and public officer who is required to file one. The Commission is not responsible for the costs of producing or distributing a form for filing statements of financial disclosure which is prescribed pursuant to subsection 1 of NRS 281A.470.]~~

Secretary of State may adopt regulations necessary to carry out the provisions of this section.

3. As used in this section, “member of the candidate’s or public officer’s household” includes:

- (a) The spouse of the candidate for public office or public officer;
- (b) A person who does not live in the same home or dwelling, but who is dependent on and receiving substantial support from the candidate for public office or public officer; and
- (c) A person who lived in the home or dwelling of the candidate for public office or public officer for 6 months or more in the year immediately preceding the year in which the candidate for public office or public officer files the statement of financial disclosure.

Sec. 31. NRS 281A.630 is hereby amended to read as follows:

281A.630 1. Except as otherwise provided in subsection 2, statements of financial disclosure required by the provisions of NRS 281A.600, 281A.610 and 281A.620 must be retained by the ~~[Commission or]~~ Secretary of State for 6 years after the date of filing.

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

Sec. 32. NRS 281A.640 is hereby amended to read as follows:

281A.640 1. A list of each public officer who is required to file a statement of financial disclosure must be submitted electronically to the ~~[Commission and to the]~~ Secretary of State, in a form prescribed by the ~~[Commission,]~~ **Secretary of State**, on or before December 1 of each year by:

- (a) Each county clerk for all public officers of the county and other local governments within the county other than cities;
- (b) Each city clerk for all public officers of the city;
- (c) The Director of the Legislative Counsel Bureau for all public officers of the Legislative Branch; and
- (d) The Chief of the Budget Division of the Department of Administration for all public officers of the Executive Branch.

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

NRS 244.164, and each city clerk shall submit electronically to the Secretary of State, in a form prescribed by the ~~{Commission,}~~ **Secretary of State**, a list of each candidate for public office who filed a declaration of candidacy or acceptance of candidacy with that officer within 10 days after the last day to qualify as a candidate for the applicable office.

Sec. 33. NRS 281A.650 is hereby amended to read as follows:

281A.650 The Secretary of State and each county clerk, or the registrar of voters of the county if one was appointed pursuant to NRS 244.164, or city clerk who receives from a candidate for public office a declaration of candidacy, acceptance of candidacy or certificate of candidacy shall give to the candidate :

1. ***If the candidate is a candidate for judicial office***, the form prescribed by the ~~{Commission}~~ **Administrative Office of the Courts** for the making of a statement of financial disclosure ~~{;}~~ ;

2. ***If the candidate is not a candidate for judicial office and is required to file electronically the statement of financial disclosure, access to the electronic form prescribed by the Secretary of State; or***

3. ***If the candidate is not a candidate for judicial office, is required to submit the statement of financial disclosure electronically and has submitted an affidavit to the Secretary of State pursuant to section 23 of this act, the form prescribed by the Secretary of State,***

↪ accompanied by instructions on how to complete the form ~~{, where it must be filed}~~ and the time by which it must be filed.

Sec. 34. 1. This section and sections 22 and 27 of this act become effective on July 1, 2011.

2. Sections 1 to 21, inclusive, 23 to 26, inclusive, and 28 to 33, inclusive, of this act become effective on January 1, 2012.

Assemblywoman Flores moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 473.

Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 518.

AN ACT relating to elections; amending the requirements of a declaration or acceptance of candidacy for certain offices; ~~{increasing the maximum population of registered voters in elections precincts;}~~ revising the deadline for preparing and sending absent ballots to certain voters; ~~{authorizing county and city clerks to establish}~~ **revising** the hours of operation during the final days of voter registration; **requiring online voter registration to remain open until midnight on the day before early voting begins;** requiring that complaints challenging initiatives or referenda be given priority over all other matters pending before the court, except for criminal proceedings; revising

the filing deadline for candidates for the Board of the Virgin Valley Water District; making various other changes relating to elections; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a person declaring or accepting candidacy must declare of which political party he or she is a registered member. (NRS 293.177) **Section 1** of this bill requires a person declaring or accepting candidacy to declare that he or she is currently registered ~~to vote in the State of Nevada~~ as a member of a particular party.

~~Section 2 of this bill increases the maximum number of registered voters who are not designated as inactive in election precincts in which a mechanical voting system is used from 1,500 to 3,000.~~

Under existing law, the name of the political party of a partisan candidate must follow the name of the candidate on the ballot and the word "nonpartisan" must follow the name of a nonpartisan candidate. **Section 3** of this bill authorizes the use of abbreviations of the party name or "independent" or "nonpartisan," as applicable.

Under existing law, a person who registers to vote by mail must provide certain identification before voting at a polling place or by mail. (NRS 293.2725) **Section 4** of this bill requires that a photo identification used for this purpose shows the physical address of the person.

Under existing law, the county clerk of each county is required to prepare absent ballots for registered voters who have requested them. (NRS 293.309) **Sections 5 and ~~10~~ 10** of this bill require the county or city clerk, as applicable, to prepare and have ready for distribution absent ballots for persons who applied for absent ballots pursuant to the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq., not later than 45 days before an election.

Under existing law, a county clerk is required to consider a request for an absent ballot on a form provided by the Federal Government as a request for an absent ballot for the two primary and general elections following receipt of the request. (NRS 293.313) **Sections 6 and ~~10~~ 11** of this bill remove the requirement that the request be considered for two elections.

Sections 7 and ~~11~~ 12 of this bill remove the requirement that counting board officers record the number of votes received by each candidate or for and against any question submitted to the electors in words and figures.

Existing law authorizes a county to establish a system for using a computer to register voters. (NRS 293.506) Section 8 of this bill requires a county that establishes a system for online voter registration to keep online registration open until midnight on the day before early voting begins.

Existing law requires that city and county clerk offices be open at certain times during the registration period. (NRS 293.560, 293C.527, 349.017, 710.153) **Sections ~~10, 12, 14 and 15~~ 9, 13, 15 and 16** of this bill ~~authorize~~

~~the city or county clerk to establish~~ **revise** the hours of operation of the office of the city or county clerk during the registration period.

Under existing law, a complaint challenging an initiative or referendum receives priority over all criminal proceedings. (NRS 295.061) **Section ~~143~~ 14** of this bill requires the court to give such a complaint priority over all other matters pending with the court, except for criminal proceedings.

Section ~~146~~ 17 of this bill changes the filing deadline for candidates for election to the governing board of the Virgin Valley Water District from at least 60 days before the election to not earlier than the first Monday in March of the year in which the election is to be held and not later than 5 p.m. on the second Friday after the first Monday in March.

Under existing law, political parties are authorized to recommend three registered voters to the county clerk to act as election board officers. (NRS 293.219) **Section ~~147~~ 18** of this bill removes that requirement.

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

Section 1. NRS 293.177 is hereby amended to read as follows:

293.177 1. Except as otherwise provided in NRS 293.165, a name may not be printed on a ballot to be used at a primary election unless the person named has filed a declaration of candidacy or an acceptance of candidacy, and has paid the fee required by NRS 293.193 not earlier than:

(a) For a candidate for judicial office, the first Monday in January of the year in which the election is to be held nor later than 5 p.m. on the second Friday after the first Monday in January; and

(b) For all other candidates, the first Monday in March of the year in which the election is to be held nor later than 5 p.m. on the second Friday after the first Monday in March.

2. A declaration of candidacy or an acceptance of candidacy required to be filed by this section must be in substantially the following form:

(a) For partisan office:

DECLARATION OF CANDIDACY OF FOR THE

OFFICE OF

State of Nevada

County of

For the purpose of having my name placed on the official ballot as a candidate for the Party nomination for the office of, I, the undersigned, do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at, in the City or Town of, County of, State of Nevada; that my actual, as opposed to constructive, residence in the State, district, county, township, city or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that my telephone number is, and the address at which I receive mail, if different than my residence, is; that I

am **currently** registered ~~[to vote in the State of Nevada]~~ as a member of the Party; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been convicted of treason or a felony, my civil rights have been restored by a court of competent jurisdiction; that I have not, in violation of the provisions of NRS 293.176, changed the designation of my political party or political party affiliation on an official application to register to vote in any state since December 31 before the closing filing date for this election; that I generally believe in and intend to support the concepts found in the principles and policies of that political party in the coming election; that if nominated as a candidate of the Party at the ensuing election, I will accept that nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and that I understand that my name will appear on all ballots as designated in this declaration.

(Designation of name)

(Signature of candidate for office)

Subscribed and sworn to before me

this day of the month of of the year

Notary Public or other person
authorized to administer an oath

(b) For nonpartisan office:

DECLARATION OF CANDIDACY OF FOR THE

OFFICE OF

State of Nevada

County of

For the purpose of having my name placed on the official ballot as a candidate for the office of, I, the undersigned, do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at, in the City or Town of, County of, State of Nevada; that my actual, as opposed to constructive, residence in the State, district, county, township, city or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that my telephone number is, and the address at which I receive mail, if different than my residence, is; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been convicted of treason or a

felony, my civil rights have been restored by a court of competent jurisdiction; that if nominated as a nonpartisan candidate at the ensuing election, I will accept the nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and my name will appear on all ballots as designated in this declaration.

(Designation of name)

(Signature of candidate for office)

Subscribed and sworn to before me

this day of the month of of the year

Notary Public or other person
authorized to administer an oath

3. The address of a candidate which must be included in the declaration of candidacy or acceptance of candidacy pursuant to subsection 2 must be the street address of the residence where the candidate actually, as opposed to constructively, resides in accordance with NRS 281.050, if one has been assigned. The declaration or acceptance of candidacy must not be accepted for filing if:

(a) The candidate's address is listed as a post office box unless a street address has not been assigned to his or her residence; or

(b) The candidate does not present to the filing officer:

(1) A valid driver's license or identification card issued by a governmental agency that contains a photograph of the candidate and the candidate's residential address; or

(2) A current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the candidate's name and residential address, but not including a voter registration card issued pursuant to NRS 293.517.

4. The filing officer shall retain a copy of the proof of identity and residency provided by the candidate pursuant to paragraph (b) of subsection 3. Such a copy:

(a) May not be withheld from the public; and

(b) Must not contain the social security number or driver's license or identification card number of the candidate.

5. By filing the declaration or acceptance of candidacy, the candidate shall be deemed to have appointed the filing officer for the office as his or her agent for service of process for the purposes of a proceeding pursuant to NRS 293.182. Service of such process must first be attempted at the appropriate address as specified by the candidate in the declaration or acceptance of candidacy. If the candidate cannot be served at that address, service must be made by personally delivering to and leaving with the filing

officer duplicate copies of the process. The filing officer shall immediately send, by registered or certified mail, one of the copies to the candidate at the specified address, unless the candidate has designated in writing to the filing officer a different address for that purpose, in which case the filing officer shall mail the copy to the last address so designated.

6. If the filing officer receives credible evidence indicating that a candidate has been convicted of a felony and has not had his or her civil rights restored by a court of competent jurisdiction, the filing officer:

(a) May conduct an investigation to determine whether the candidate has been convicted of a felony and, if so, whether the candidate has had his or her civil rights restored by a court of competent jurisdiction; and

(b) Shall transmit the credible evidence and the findings from such investigation to the Attorney General, if the filing officer is the Secretary of State, or to the district attorney, if the filing officer is a person other than the Secretary of State.

7. The receipt of information by the Attorney General or district attorney pursuant to subsection 6 must be treated as a challenge of a candidate pursuant to subsections 4 and 5 of NRS 293.182. If the ballots are printed before a court of competent jurisdiction makes a determination that a candidate has been convicted of a felony and has not had his or her civil rights restored by a court of competent jurisdiction, the filing officer must post a notice at each polling place where the candidate's name will appear on the ballot informing the voters that the candidate is disqualified from entering upon the duties of the office for which the candidate filed the declaration of candidacy or acceptance of candidacy.

Sec. 2. ~~NRS 293.207 is hereby amended to read as follows:~~

~~293.207 1. Election precincts must be established on the basis of the number of registered voters therein, with a maximum of [1,500] 3,000 registered voters who are not designated inactive pursuant to NRS 293.530 per precinct in those precincts in which a mechanical voting system is used.~~

~~2. Except as otherwise provided in subsections 3 and 4, the county clerk may consolidate two or more contiguous election precincts into a single voting district to conduct a particular election as public convenience, necessity and economy may require.~~

~~3. If a county clerk proposes to consolidate two or more contiguous election precincts, in whole or in part, pursuant to subsection 2, the county clerk shall, at least 14 days before consolidating the precincts, cause notice of the proposed consolidation to be:~~

~~(a) Posted in the manner prescribed for a regular meeting of the board of county commissioners; and~~

~~(b) Mailed to each Assemblyman, Assemblywoman, State Senator, county commissioner and, if applicable, member of the governing body of a city who represents residents of a precinct affected by the consolidation.~~

~~4. A person may file a written objection to the proposed consolidation with the county clerk. The county clerk shall consider each written objection~~

~~filed pursuant to this subsection before consolidating the precincts.~~ **(Deleted by amendment.)**

Sec. 3. NRS 293.267 is hereby amended to read as follows:

293.267 1. Ballots for a general election must contain the names of candidates who were nominated at the primary election, the names of the candidates of a minor political party and the names of independent candidates.

2. Except as otherwise provided in NRS 293.2565, names of candidates must be grouped alphabetically under the title and length of term of the office for which those candidates filed.

3. Except as otherwise provided in subsection 4:

(a) Immediately following the name of each candidate for a partisan office must appear the name **or abbreviation** of his or her political party or the word “independent ~~[-]~~” **“or the abbreviation “IND,”** as the case may be.

(b) Immediately following the name of each candidate for a nonpartisan office must appear the word “nonpartisan ~~[-]~~” **“or the abbreviation “NP.”**

4. Where a system of voting other than by paper ballot is used, the Secretary of State may provide for any placement of the name **or abbreviation** of the political party or the word “independent” or “nonpartisan” **“or the abbreviation “IND” or “NP,” as appropriate,** which clearly relates the designation to the name of the candidate to whom it applies.

5. If the Legislature rejects a statewide measure proposed by initiative and proposes a different measure on the same subject which the Governor approves, the measure proposed by the Legislature and approved by the Governor must be listed on the ballot before the statewide measure proposed by initiative. Each ballot and sample ballot upon which the measures appear must contain a statement that reads substantially as follows:

The following questions are alternative approaches to the same issue, and only one approach may be enacted into law. Please vote for only one.

Sec. 4. NRS 293.2725 is hereby amended to read as follows:

293.2725 1. Except as otherwise provided in subsection 2, in NRS 293.3081 and 293.3083 and in federal law, a person who registers by mail to vote in this State and who has not previously voted in an election for federal office in this State:

(a) May vote at a polling place only if the person presents to the election board officer at the polling place:

(1) A current and valid photo identification of the person ~~[-]~~, **which shows his or her physical address;** or

(2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517; and

(b) May vote by mail only if the person provides to the county or city clerk:

(1) A copy of a current and valid photo identification of the person ~~to~~, **which shows his or her physical address;** or

(2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517.

➔ ***If there is a question as to the physical address of the person, the election board officer or clerk may request additional information.***

2. The provisions of this section do not apply to a person who:

(a) Registers to vote by mail and submits with an application to register to vote:

(1) A copy of a current and valid photo identification; or

(2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517;

(b) Registers to vote by mail and submits with an application to register to vote a driver's license number or at least the last four digits of his or her social security number, if a state or local election official has matched that information with an existing identification record bearing the same number, name and date of birth as provided by the person in the application;

(c) Is entitled to vote an absent ballot pursuant to the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq.;

(d) Is provided the right to vote otherwise than in person under the Voting Accessibility for the Elderly and Handicapped Act, 42 U.S.C. §§ 1973ee et seq.; or

(e) Is entitled to vote otherwise than in person under any other federal law.

Sec. 5. NRS 293.309 is hereby amended to read as follows:

293.309 1. The county clerk of each county shall prepare an absent ballot for the use of registered voters who have requested absent ballots. The county clerk shall make reasonable accommodations for the use of the absent ballot by a person who is elderly or disabled, including, without limitation, by providing, upon request, the absent ballot in 12-point type to a person who is elderly or disabled.

2. The ballot must be prepared and ready for distribution to a registered voter who:

(a) Resides within the State, not later than 20 days before the election in which it is to be used; ~~to~~

(b) ~~Resides~~ ***Except as otherwise provided in paragraph (c), resides*** outside the State, not later than 40 days before a primary or general election, if possible ~~to~~; or

(c) ***Requested an absent ballot pursuant to the provisions of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq., not later than 45 days before the election.***

3. Any legal action which would prevent the ballot from being issued pursuant to subsection 2 is moot and of no effect.

Sec. 6. NRS 293.313 is hereby amended to read as follows:

293.313 1. Except as otherwise provided in NRS 293.272 and 293.502, a registered voter who provides sufficient written notice to the county clerk may vote an absent ballot as provided in this chapter.

2. A registered voter who:

- (a) Is at least 65 years of age; or
 - (b) Has a physical disability or condition which substantially impairs his or her ability to go to the polling place,
- ➡ may request an absent ballot for all elections held during the year he or she requests an absent ballot.

3. A county clerk shall consider a request from a voter who has given sufficient written notice on a form provided by the Federal Government as a request for an absent ballot for the ~~two~~ primary and general elections immediately following the date on which the county clerk received the request.

4. It is unlawful for a person fraudulently to request an absent ballot in the name of another person or to induce or coerce another person fraudulently to request an absent ballot in the name of another person. A person who violates this subsection is guilty of a category E felony and shall be punished as provided in NRS 193.130.

5. As used in this section, "sufficient written notice" means a:

- (a) Written request for an absent ballot which is signed by the registered voter and returned to the county clerk in person or by mail or facsimile machine;
- (b) Form prescribed by the Secretary of State which is completed and signed by the registered voter and returned to the county clerk in person or by mail or facsimile machine; or
- (c) Form provided by the Federal Government.

Sec. 7. NRS 293.370 is hereby amended to read as follows:

293.370 1. When all the votes have been counted, the counting board officers shall enter on the tally lists by the name of each candidate the number of votes the candidate received. ~~[The number must be expressed in words and figures.]~~ The vote for and against any question submitted to the electors must be entered in the same manner.

2. The tally lists must show the number of votes, other than absentee votes and votes in a mailing precinct, which each candidate received in each precinct at:

- (a) A primary election held in an even-numbered year; or
- (b) A general election.

Sec. 8. NRS 293.506 is hereby amended to read as follows:

293.506 1. A county clerk may, with approval of the board of county commissioners, establish a system for using a computer to register voters and to keep records of registration. The county clerk may, for that purpose, issue

to a voter a card, bearing the signature of the voter, attesting to the voter's registration.

2. If a county establishes a system for online voter registration pursuant to subsection 1, online voter registration must remain open until midnight on the day before early voting begins.

~~{Sec. 8.}~~ **Sec. 9.** NRS 293.560 is hereby amended to read as follows:

293.560 ~~{1.}~~ Except as otherwise provided in NRS 293.502 ~~{, registration must close} [at 9 p.m.] [on the third Tuesday preceding any primary or general election and] [at 9 p.m.] [on the third Saturday preceding any recall or special election, except that if a recall or special election is held on the same day as a primary or general election, registration must close] [at 9 p.m.] [on the third Tuesday preceding the day of the elections.~~

~~2. [The]:~~

1. For a primary or special election, the office of the county clerk must be open [from 9 a.m. to 5 p.m. and from] until 7 p.m. [to 9 p.m., including Saturdays,] during the last 2 days [before the close of] on which registration [according to the following schedule:

~~(a) is open.~~ In a county whose population is less than 100,000, the office of the county clerk ~~[must be open during the last day before registration closes.~~

~~(b) In all other counties, the office of the county clerk must be open during the last 5 days before registration closes.] [The county clerk shall determine the hours during which the office of the county clerk must remain open to the public during the registration period.] may close at 5 p.m. during the last 2 days before registration closes if approved by the board of county commissioners.~~

2. For a general election:

(a) In a county whose population is less than 100,000, the office of the county clerk must be open until 7 p.m. during the last 2 days on which registration is open. The office of the county clerk may close at 5 p.m. if approved by the board of county commissioners.

(b) In a county whose population is 100,000 or more, the office of the county clerk must be open during the last 4 days on which registration is open, according to the following schedule:

(1) On weekdays until 9 p.m.; and

(2) A minimum of 8 hours on Saturdays, Sundays and legal holidays.

3. Except for a special election held pursuant to chapter 306 or 350 of NRS:

(a) The county clerk of each county shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the county indicating:

(1) The day **and time** that registration will be closed; and

(2) If the county clerk has designated a county facility pursuant to NRS 293.5035, the location of that facility.

↪ If no such newspaper is published in the county, the publication may be made in a newspaper of general circulation published in the nearest county in this State.

(b) The notice must be published once each week for 4 consecutive weeks next preceding the close of registration for any election.

4. The offices of the county clerk, a county facility designated pursuant to NRS 293.5035 and other ex officio registrars may remain open on the last Friday in October in each even-numbered year.

5. For the period beginning on the fifth Sunday preceding any primary or general election and ending on the third Tuesday preceding any primary or general election, an elector may register to vote only by appearing in person at the office of the county clerk or, if open, a county facility designated pursuant to NRS 293.5035.

6. A county facility designated pursuant to NRS 293.5035 may be open during the periods described in this section for such hours of operation as the county clerk may determine, as set forth in subsection 3 of NRS 293.5035.

~~{Sec. 9.}~~ **Sec. 10.** NRS 293C.305 is hereby amended to read as follows:

293C.305 1. The city clerk shall prepare an absent ballot for the use of registered voters who have requested absent ballots. The city clerk shall make reasonable accommodations for the use of the absent ballot by a person who is elderly or disabled, including, without limitation, by providing, upon request, the absent ballot in 12-point type to a person who is elderly or disabled.

2. The ballot must be prepared and ready for distribution to a registered voter who :

(a) Except as otherwise provided in paragraph (b), resides within or outside this State, not later than 20 days before the election in which it will be used.

(b) Requested an absent ballot pursuant to the provisions of the Uniformed and Overseas Citizens Absentee Voting Act, 42 U.S.C. §§ 1973ff et seq., not later than 45 days before the election.

3. Any legal action that would prevent the ballot from being issued pursuant to subsection 2 is moot and of no effect.

~~{Sec. 10.}~~ **Sec. 11.** NRS 293C.310 is hereby amended to read as follows:

293C.310 1. Except as otherwise provided in NRS 293.502 and 293C.265, a registered voter who provides sufficient written notice to the city clerk may vote an absent ballot as provided in this chapter.

2. A city clerk shall consider a request from a voter who has given sufficient written notice on a form provided by the Federal Government as:

(a) A request for the primary city election and the general city election unless otherwise specified in the request; and

(b) A request for an absent ballot for the ~~two~~ primary and general elections immediately following the date on which the city clerk received the request.

3. It is unlawful for a person fraudulently to request an absent ballot in the name of another person or to induce or coerce another person fraudulently to request an absent ballot in the name of another person. A person who violates any provision of this subsection is guilty of a category E felony and shall be punished as provided in NRS 193.130.

4. As used in this section, "sufficient written notice" means a:

(a) Written request for an absent ballot that is signed by the registered voter and returned to the city clerk in person or by mail or facsimile machine;

(b) Form prescribed by the Secretary of State that is completed and signed by the registered voter and returned to the city clerk in person or by mail or facsimile machine; or

(c) Form provided by the Federal Government.

~~{Sec. 11.}~~ **Sec. 12.** NRS 293C.372 is hereby amended to read as follows:

293C.372 When all the votes have been counted, the counting board officers shall enter on the tally lists by the name of each candidate the number of votes the candidate received. ~~{The number must be expressed in words and figures.}~~ The vote for and against any question submitted to the electors must be entered in the same manner.

~~{Sec. 12.}~~ **Sec. 13.** NRS 293C.527 is hereby amended to read as follows:

293C.527 ~~{1.}~~ Except as otherwise provided in NRS 293.502, ~~{registration must close} [at 9 p.m.] [on the third Tuesday preceding any primary city election or general city election and at 9 p.m. on the third Saturday preceding any recall or special election, except that if a recall or special election is held on the same day as a primary city election or general city election, registration must close} [at 9 p.m.] [on the third Tuesday preceding the day of the elections.~~

~~2.}~~ ~~{The}:~~

1. For a primary city election or special city election, the office of the city clerk must be open [from 9 a.m. to 5 p.m. and from] until 7 p.m. [to 9 p.m., including Saturdays,] during the last 2 days [before the close of registration before a primary city election or general city election, according to the following schedule:

(a) In a city whose population is less than 25,000, the office of the city clerk must be open during the last 3 days before registration closes.

(b) In a city whose population is 25,000 or more, the office of the city clerk must be open during the last 5 days before registration closes. ~~{The city clerk shall determine the hours during which the office of the city clerk must remain open to the public during the last 5 days of the registration period.}~~
on which registration is open. In a city whose population is less than

25,000, the office of the city clerk may close at 5 p.m. if approved by the governing body of the city.

2. For a general election:

(a) In a city whose population is less than 25,000, the office of the city clerk must be open until 7 p.m. during the last 2 days on which registration is open. The office of the city clerk may close at 5 p.m. if approved by the governing body of the city.

(b) In a city whose population is 25,000 or more, the office of the city clerk must be open during the last 4 days on which registration is open, according to the following schedule:

(1) On weekdays until 9 p.m.; and

(2) A minimum of 8 hours on Saturdays, Sundays and legal holidays.

3. Except for a special election held pursuant to chapter 306 or 350 of NRS:

(a) The city clerk of each city shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the city indicating:

(1) The day **and time** that registration will be closed; and

(2) If the city clerk has designated a municipal facility pursuant to NRS 293C.520, the location of that facility.

➔ If no newspaper is of general circulation in that city, the publication may be made in a newspaper of general circulation in the nearest city in this State.

(b) The notice must be published once each week for 4 consecutive weeks next preceding the close of registration for any election.

4. For the period beginning on the fifth Sunday preceding any primary city election or general city election and ending on the third Tuesday preceding any primary city election or general city election, an elector may register to vote only by appearing in person at the office of the city clerk or, if open, a municipal facility designated pursuant to NRS 293C.520.

5. A municipal facility designated pursuant to NRS 293C.520 may be open during the periods described in this section for such hours of operation as the city clerk may determine, as set forth in subsection 3 of NRS 293C.520.

~~{Sec. 13.}~~ **Sec. 14.** NRS 295.061 is hereby amended to read as follows:

295.061 1. Except as otherwise provided in subsection 3, whether an initiative or referendum embraces but one subject and matters necessarily connected therewith and pertaining thereto, and the description of the effect of an initiative or referendum required pursuant to NRS 295.009, may be challenged by filing a complaint in the First Judicial District Court not later than 15 days, Saturdays, Sundays and holidays excluded, after a copy of the petition is placed on file with the Secretary of State pursuant to NRS 295.015. All affidavits and documents in support of the challenge must be filed with the complaint. The court shall set the matter for hearing not later than 15 days after the complaint is filed and shall give priority to such a

complaint over all *other matters pending with the court, except for* criminal proceedings.

2. The legal sufficiency of a petition for initiative or referendum may be challenged by filing a complaint in district court not later than 7 days, Saturdays, Sundays and holidays excluded, after the petition is certified as sufficient by the Secretary of State. All affidavits and documents in support of the challenge must be filed with the complaint. The court shall set the matter for hearing not later than 15 days after the complaint is filed and shall give priority to such a complaint over all other matters pending with the court, except for criminal proceedings.

3. If a description of the effect of an initiative or referendum required pursuant to NRS 295.009 is challenged successfully pursuant to subsection 1 and such description is amended in compliance with the order of the court, the amended description may not be challenged.

~~{Sec. 14.}~~ **Sec. 15.** NRS 349.017 is hereby amended to read as follows:

349.017 1. If the bond question is submitted at a general election, no notice of registration of electors is required other than that required by the laws for a general election.

2. If the bond question is submitted at a special election, the clerk of each county shall cause to be published, at least once a week for 2 consecutive weeks by two weekly insertions a week apart, the first publication to be not more than 50 days nor less than 42 days next preceding the election, in a newspaper published within the county, if any is so published, and having a general circulation therein, a notice signed by him or her to the effect that registration for the special election will be closed on a date *and time* designated therein, as provided in this section.

3. Except as otherwise provided in subsection 4, the office of the county clerk in each county of this State must be open for such a special election, from 9 a.m. to 12 m. and 1 p.m. to 5 p.m. on Mondays through Fridays, with Saturdays, Sundays and legal holidays excepted, for the registration of any qualified elector.

4. The office of the county clerk must be open from 9 a.m. to 5 p.m. and from 7 p.m. to 9 p.m. on Monday through Saturday, with Sundays and any legal holidays excepted, during the last days of registration as provided in subsection 2 of NRS 293.560. ~~{The county clerk shall determine the hours during which the office of the county clerk must remain open to the public during the last 5 days of the registration period.}~~

5. The office of the county clerk must be open for registration of voters for such a special election up to but excluding the 30th day next preceding that election and during regular office hours.

~~{Sec. 15.}~~ **Sec. 16.** NRS 710.153 is hereby amended to read as follows:

710.153 1. If the question of the sale or lease of the county-owned telephone system is submitted at a general election, no notice of registration

of electors is required other than that required by the general election laws for such election. If the question is submitted at a special election, the county clerk shall cause to be published at least once a week for 5 consecutive weeks by five weekly insertions a week apart, the first publication to be not more than 60 days nor less than 45 days next preceding the election, in a newspaper published within the county and having a general circulation therein, a notice signed by the county clerk to the effect that registration for the special election will be closed on a date **and time** designated therein, as provided in this section.

2. Except as otherwise provided in this subsection, the office of the county clerk must be open for such a special election from 9 a.m. to 12 m. and from 1 p.m. to 5 p.m. on Mondays through Fridays, with Saturdays, Sundays and legal holidays excepted, for the registration of any qualified elector. ~~{During the 5 days preceding the close of registration before such a special election,} {the}~~ **The office of the county clerk must be open {from 9 a.m. to 5 p.m. and from 7 p.m. to 9 p.m. on Monday through Saturday, with Sunday and any legal holidays excepted.} {the county clerk shall determine the hours during which the office of the county clerk must remain open to the public.} during the last days of registration as provided in subsection 1 of NRS 293.560.**

3. The office of the county clerk must be opened for registration of voters for the special election from and including the 20th day next preceding the election and up to but excluding the 10th day next preceding the election and during regular office hours.

~~{Sec. 16.}~~ **Sec. 17.** Section 8 of the Virgin Valley Water District Act, being chapter 100, Statutes of Nevada 1993, at page 165, is hereby amended to read as follows:

Sec. 8. District Elections.

1. Unless otherwise required for purposes of an election to incur an indebtedness, the Registrar of Voters of Clark County shall conduct, supervise and, by ordinance, regulate all district elections in accordance, as nearly as practicable, with the general election laws of this state, including, but not limited to, laws relating to the time of opening and closing of polls, the manner of conducting the election, the canvassing, announcement and certification of results and the preparation and disposition of ballots.

2. ~~{At least 90 days before the election, the Registrar of Voters of Clark County shall publish notice of the election.}~~ Each candidate for election to the Board must file a declaration of candidacy with the Registrar of Voters ~~{at least 60 days before the election.}~~ ***not earlier than the first Monday in March of the year in which the election is to be held and not later than 5 p.m. on the second Friday after the first Monday in March.*** Timely filing of such declaration is a prerequisite to election.

3. If the board establishes various election areas within the District and there are two or more seats upon the board to be filled at the same election,

each of which represents the same election area, the two candidates therefor receiving the highest number of votes, respectively, are elected.

4. If a member of the Board is unopposed in seeking reelection, the Board may declare that member elected without a formal election, but that member may not participate in the declaration.

5. If no person files candidacy for election to a particular seat upon the Board, the seat must be filled in the manner provided in subsection 4 of section 7 of this act for filling a vacancy.

~~{Sec. 17.}~~ **Sec. 18.** NRS 293.219 is hereby repealed.

TEXT OF REPEALED SECTION

293.219 Recommendations by political parties of persons for service on election board.

1. Not less than 60 days before a primary or a general election, the county central committee of each major political party for each county may recommend to the county clerk of the county three registered voters for each precinct in the county to act as election board officers of the primary or general election in the precinct or district.

2. Not less than 60 days before a general election, the executive committee of each minor political party for each county may recommend to the county clerk of the county three registered voters for each precinct in the county to act as election board officers of the general election in the precinct or district.

3. After that date the county clerk may accept recommendations for reserve election board officers for the election.

Assemblyman Flores moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 549.

Bill read third time.

The following amendment was proposed by Assemblywoman Kirkpatrick:

Amendment No. 533.

AN ACT relating to homeland security; ~~revising various provisions governing homeland security; establishing a statewide repository for the protection of critical infrastructure information;~~ **increasing the number of voting members on the Nevada Commission on Homeland Security;** revising provisions governing ~~certain confidential information; revising provisions relating to the Nevada Commission on Homeland Security;~~ **the confidentiality of vulnerability assessments and emergency response plans of utilities, public entities and private businesses in this State; clarifying that certain documents, records and other items of information may be inspected by and released to the Legislative Auditor when conducting a postaudit;** providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law ~~provides that it is within the public interest that the Legislature enact provisions to protect this State from acts of terrorism. (NRS 239C.010) Section 15 of this bill specifies that such provisions should include securing statewide critical infrastructure and key resources. Section 14 of this bill establishes a statewide repository for the protection of critical infrastructure information for the purpose of storing confidential and protected critical infrastructure information which may be accessed by emergency response agencies when responding to an act of terrorism or a related all hazards emergency. Sections 14, 26, 29, 35, 37 and 39 of this bill provide that a person who unlawfully discloses certain confidential information is guilty of a gross misdemeanor or a category C felony, depending on the actions of the person relating to such disclosure. Sections 2-13 of this bill add new definitions relating to homeland security, and sections 17-21 of this bill revise existing definitions.~~

~~Existing law also~~ establishes the Nevada Commission on Homeland Security, for which the Governor appoints the voting members and certain nonvoting members. The Commission has certain duties relating to the protection of residents of this State and visitors to this State from acts of terrorism and related emergencies. (NRS 239C.120, 239C.160) **Section 22** of this bill increases the number of voting members that the Governor must appoint to the Commission from 14 members to ~~15~~ **16** members, to include a representative of the broadcaster community. ~~Section 22 also requires the Governor to appoint as a nonvoting member on the Commission a representative to represent the tribal nations in Nevada. Section 24 of this bill additionally requires the Commission to make recommendations to the Governor on the use and distribution of funding that is received by the State which is related to homeland security.~~ **and a representative recommended by the Inter-Tribal Council of Nevada, Inc.**

Existing law provides that the Governor may, by executive order, determine that certain documents, records and other information relating to preventing and responding to acts of terrorism are confidential. Such documents, records and other information are not subject to subpoena or discovery, not subject to inspection by the general public and may only be inspected by and released to public safety and public health personnel. (NRS 239C.210) Section 26 of this bill extends that authority to include vulnerability assessments and emergency response plans of utilities, public entities and private businesses in this State. Section 26 also clarifies that the documents, records and other items of information subject to an executive order of confidentiality for security purposes may be inspected by and released to the Legislative Auditor when conducting a postaudit.

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

Section 1. (Deleted by amendment.)**Sec. 2. (Deleted by amendment.)****Sec. 3. (Deleted by amendment.)****Sec. 4. (Deleted by amendment.)****Sec. 5. (Deleted by amendment.)****Sec. 6. (Deleted by amendment.)****Sec. 7. (Deleted by amendment.)****Sec. 8. (Deleted by amendment.)****Sec. 9. (Deleted by amendment.)****Sec. 10. (Deleted by amendment.)****Sec. 11. (Deleted by amendment.)****Sec. 12. (Deleted by amendment.)****Sec. 13. (Deleted by amendment.)****Sec. 14. (Deleted by amendment.)****Sec. 15. (Deleted by amendment.)****Sec. 16. (Deleted by amendment.)****Sec. 17. (Deleted by amendment.)****Sec. 18. (Deleted by amendment.)****Sec. 19. (Deleted by amendment.)****Sec. 20. (Deleted by amendment.)****Sec. 21. (Deleted by amendment.)****Sec. 22.** NRS 239C.120 is hereby amended to read as follows:

239C.120 1. The Nevada Commission on Homeland Security is hereby created.

2. The Governor shall appoint to the Commission ~~14~~ ~~15~~ 16 voting members that the Governor determines to be appropriate and who serve at the Governor's pleasure, which must include at least:

(a) The sheriff of each county whose population is 100,000 or more. ~~1~~

(b) The chief of the county fire department in each county whose population is 100,000 or more. ~~1~~

(c) A member of the medical community in a county whose population is 400,000 or more. ~~1~~ ~~and~~

(d) An employee of the largest incorporated city in each county whose population is 400,000 or more. ~~1~~ ~~and~~

(e) *A representative of the broadcaster community. As used in this paragraph, "broadcaster" has the meaning ascribed to it in NRS 432.310.*

(f) A representative recommended by the Inter-Tribal Council of Nevada, Inc., or its successor organization, to represent tribal nations in Nevada.

3. The Governor shall appoint:

(a) An officer of the United States Department of Homeland Security whom the Department of Homeland Security has designated for this State; and

(b) The agent in charge of the office of the Federal Bureau of Investigation in this State. ~~1~~ ~~and~~

~~(c) A representative recommended by the Inter Tribal Council of Nevada, Inc., to represent the tribal nations in Nevada,~~

↪ as nonvoting members of the Commission.

4. The Senate Majority Leader shall appoint one member of the Senate as a nonvoting member of the Commission.

5. The Speaker of the Assembly shall appoint one member of the Assembly as a nonvoting member of the Commission.

6. ~~{Except for the initial members, the}~~ **The** term of office of each member of the Commission who is a Legislator is 2 years . ~~{and commences on July 1 of the year of appointment.}~~

7. The Governor or his or her designee shall:

(a) Serve as Chair of the Commission; and

(b) Appoint a member of the Commission to serve as Vice Chair of the Commission.

Sec. 23. (Deleted by amendment.)

Sec. 24. (Deleted by amendment.)

Sec. 25. (Deleted by amendment.)

Sec. 26. NRS 239C.210 is hereby amended to read as follows:

239C.210 1. A document, record or other item of information described in subsection 2 that is ~~{obtained,}~~ prepared and ~~{or}~~ maintained ~~{through or by a law enforcement agency, counter terrorism center or fusion intelligence center in this State,}~~ for the purpose of ~~{detecting, deterring,}~~ preventing or responding to an act of terrorism ~~{,}~~ is confidential, not subject to subpoena or discovery, not subject to inspection by the general public and may only be inspected by or released to ~~{public,}~~ public;

(a) Public safety and public health ~~{duly authorized emergency response}~~ personnel ~~{,}~~ and

(b) The Legislative Auditor conducting a postaudit pursuant to NRS 218G.010 to 218G.555, inclusive,

↪ if the Governor determines, by executive order, that the disclosure or release of the document, record or other item of information would thereby create a substantial likelihood of compromising, jeopardizing or otherwise threatening the public health, safety or welfare. **Any information that is inspected by or released to the Legislative Auditor pursuant to this subsection is not subject to the exception from confidentiality set forth in NRS 218G.130.**

2. The types of documents, records or other items of information subject to executive order pursuant to subsection 1 are as follows:

(a) Assessments, plans or records that evaluate or reveal the susceptibility of fire stations, police stations and other law enforcement stations to acts of terrorism or other related emergencies.

(b) Drawings, maps, plans or records that reveal the critical infrastructure of primary buildings, facilities and other structures used for storing, transporting or transmitting water or electricity, natural gas or other forms of energy.

(c) Documents, records or other items of information which may reveal the details of a specific emergency response plan or other tactical operations by a response agency and any training relating to such emergency response plans or tactical operations.

(d) Handbooks, manuals or other forms of information detailing procedures to be followed by response agencies in the event of an act of terrorism or other related emergency.

(e) Documents, records or other items of information that reveal information pertaining to specialized equipment used for covert, emergency or tactical operations of a response agency, other than records relating to expenditures for such equipment.

(f) Documents, records or other items of information regarding the infrastructure and security of frequencies for radio transmissions used by response agencies, including, without limitation:

(1) Access codes, passwords or programs used to ensure the security of frequencies for radio transmissions used by response agencies;

(2) Procedures and processes used to ensure the security of frequencies for radio transmissions used by response agencies; and

(3) Plans used to reestablish security and service with respect to frequencies for radio transmissions used by response agencies after security has been breached or service has been interrupted. ~~If the Governor determines that the disclosure or release of any type of document, record or other item of information would thereby create a substantial likelihood of compromising, jeopardizing or otherwise threatening the public health, safety or welfare, the Governor may declare such a document, record or other item of information to be confidential through the issuance of an executive order.~~

(g) Vulnerability assessments and emergency response plans of utilities, public entities and private businesses in this State. As used in this paragraph, “public entities” means departments, agencies or instrumentalities of the State or any of its political subdivisions. The term includes general improvement districts.

3. If a person knowingly and unlawfully discloses a document, record or other item of information ~~[that is confidential pursuant to subsection 1 or]~~ subject to an executive order issued pursuant to subsection 1 ~~[2]~~ or assists, solicits or conspires with another person to disclose such a document, record or other item of information, the person is guilty of:

(a) A gross misdemeanor; or

(b) A category C felony and shall be punished as provided in NRS 193.130 if the person acted with the intent to:

(1) Commit, cause, aid, further or conceal, or attempt to commit, cause, aid, further or conceal, any unlawful act involving terrorism or sabotage; or

(2) Assist, solicit or conspire with another person to commit, cause, aid, further or conceal any unlawful act involving terrorism or sabotage.

4. As used in this section, “public safety and public health ~~“emergency response”~~ personnel” includes:

- (a) State, county and city ~~and tribal~~ emergency managers;
- (b) Members and staff of ~~counter-~~terrorism early warning centers or fusion intelligence centers in this State;
- (c) Employees of fire-fighting or law enforcement agencies, if the head of the agency has designated the employee ~~is duly authorized~~ as having an operational need to know **of** information that is prepared or maintained for the purpose of preventing or responding to an act of terrorism; and
- (d) Employees of a public health agency, if the agency is one that would respond to a disaster and if the head of the agency has designated the employee ~~is duly authorized~~ as having an operational need to know **of** information that is prepared or maintained for the purpose of preventing or responding to an act of terrorism. As used in this paragraph, “disaster” has the meaning ascribed to it in NRS 414.0335.

Sec. 27. (Deleted by amendment.)

Sec. 28. (Deleted by amendment.)

Sec. 29. NRS 239C.270 is hereby amended to read as follows:

239C.270 1. Each utility shall:

- (a) Conduct a vulnerability assessment in accordance with the requirements of the federal and regional agencies that regulate the utility; and
- (b) Prepare and maintain an emergency response plan in accordance with the requirements of the federal and regional agencies that regulate the utility .

2. Each utility shall:

- (a) ~~[(b)]~~ As soon as practicable but not later than December 31 , 2003, ~~for each year,~~ submit its vulnerability assessment and emergency response plan to the Division; ~~into the repository for the protection of critical infrastructure information;~~ and

~~[(b) [(c)]]~~ At least once each year thereafter, review its vulnerability assessment and emergency response plan and, as soon as practicable after its review is completed but not later than December 31 of each year, submit the results of its review and any additions or modifications to its emergency response plan to the Division.

3. Except as otherwise provided in NRS 239.0115, each vulnerability assessment and ~~into the repository for the protection of critical infrastructure information.~~

~~2.—Each]~~ emergency response plan of a utility and any other information concerning a utility that is necessary to carry out the provisions of this section is confidential ~~for~~ and must be securely maintained by each person or entity that has possession, custody or control of the information.

4. ~~and is exempt from the provisions of NRS 239.010.~~

~~3.—A]~~ **Except as otherwise provided in NRS 239C.210, a** person shall not disclose such information, except:

- (a) Upon the lawful order of a court of competent jurisdiction;

(b) As is reasonably necessary to carry out the provisions of this section or the operations of the utility , as determined by the Division; ~~for or~~

(c) As is reasonably necessary in the case of an emergency involving public health or safety , as determined by the Division; or

(d) Pursuant to the provisions of NRS 239.0115.

5. ~~4.4~~ If a person knowingly and unlawfully discloses such information or assists, solicits or conspires with another person to disclose such information, the person is guilty of:

(a) A gross misdemeanor; or

(b) A category C felony and shall be punished as provided in NRS 193.130 if the person acted with the intent to:

(1) Commit, cause, aid, further or conceal, or attempt to commit, cause, aid, further or conceal, any unlawful act involving terrorism or sabotage; or

(2) Assist, solicit or conspire with another person to commit, cause, aid, further or conceal any unlawful act involving terrorism or sabotage.

Sec. 30. (Deleted by amendment.)

Sec. 31. (Deleted by amendment.)

Sec. 32. (Deleted by amendment.)

Sec. 33. (Deleted by amendment.)

Sec. 34. (Deleted by amendment.)

Sec. 35. (Deleted by amendment.)

Sec. 36. (Deleted by amendment.)

Sec. 37. (Deleted by amendment.)

Sec. 38. (Deleted by amendment.)

Sec. 39. (Deleted by amendment.)

Assemblywoman Kirkpatrick moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Senate Bill No. 31.

Bill read third time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 121.

AN ACT relating to the administration of taxes; clarifying provisions governing the determination and certification of population for apportionment purposes and requiring additional projections of population; revising provisions governing joint and several liability of certain responsible persons for taxes and certain waivers of penalties and interest; extending the period for the Department of Taxation or a county to bring an action in a court of competent jurisdiction for summary judgment against a person owing a delinquent tax or deficiency determination; extending the period for the Department or a county to record a tax lien; extending the period for the Department or a county to issue a warrant for the enforcement of a lien and collect a delinquent tax; temporarily extending the deadline for submitting cooperative agreements altering the formula for the

distribution of money from the Local Government Tax Distribution Account; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Department of Taxation to determine, and the Governor to certify, the annual population of each town, township, city and county in this State for purposes of the apportionment of taxes during the next fiscal year. (NRS 360.283, 360.285) **Sections 2 and 3** of this bill clarify that this determination and certification is of the relevant population as of July 1 of the immediately preceding year. **Section 1** of this bill additionally requires the Department to issue annual reports containing 5-year and 20-year projections of **the population of each county.**

The provisions of title 32 of NRS require the Department of Taxation to collect certain taxes imposed on property of an interstate or intercounty nature, the net proceeds of minerals, financial institutions and other businesses, live entertainment, liquor, tobacco, controlled substances, estates and generation-skipping transfers, and various sales and use taxes. (Chapters 361, 362, 363A, 363B, 368A, 369, 370, 372, 372A, 374, 374A, 375A-377B of NRS) Existing law imposes joint and several liability upon certain responsible persons who fail to collect or pay to the Department some of these taxes or any pertinent fees. (NRS 360.297) **Section 4** of this bill limits this liability to the willful failure to pay or collect an applicable tax or fee and applies this liability to all of the taxes and fees required to be paid to the Department under title 32 of NRS.

Under existing law, the Department of Taxation is authorized to waive or reduce the interest and penalties imposed on a person whose failure to timely file a return or pay certain taxes collected by the Department is the result of circumstances beyond the person's control and occurred despite the exercise of ordinary care and without intent. (NRS 360.419) **Section 5** of this bill extends that authority to all of the taxes and fees required to be paid to the Department under title 32 of NRS and to certain fees imposed on the lease of a passenger car by a short-term lessor.

If a person owes delinquent taxes or has a deficiency determination against him or her with respect to any tax administered by the Department of Taxation, existing law authorizes the Department to attempt collection of the tax or deficiency in certain ways. The Department may: (1) file an action in any court of competent jurisdiction for summary judgment for the amount due; (2) file a certificate in the office of any county recorder, at which time the amount due becomes a lien upon all real and personal property the person owns or acquires in the county before the lien expires or is discharged; and (3) issue a warrant for the enforcement of a lien and for the collection of any delinquent tax or fee. (NRS 360.420, 360.473, 360.483) Existing law also allows a county to take such actions when any tax is delinquent on a transfer of real property in the county. (NRS 375.160, 375.170, 375.200) Such actions must occur within 3 years after the date the tax, fee or deficiency determination was due. Existing law allows the State Controller to take

certain actions with respect to unpaid debts to the State within 4 years after the debt becomes due. (NRS 353C.140, 353C.150) ~~Sections 6-11~~ **6-8 and 10-12** of this bill similarly extend the time by which the Department or county may take action to collect delinquent taxes, fees or deficiencies to within 4 years after payment was due.

Existing law requires the deposit of certain proceeds from liquor taxes, cigarette taxes, real property transfer taxes, city-county relief taxes and governmental services taxes into the Local Government Tax Distribution Account. (NRS 369.173, 370.260, 375.070, 377.055, 377.057, 482.181) Under existing law, the Executive Director of the Department of Taxation is required to allocate the money in the Account each fiscal year to local governments, special districts and enterprise districts in accordance with a mathematical formula, except that a county clerk may, not later than December 31 of the immediately preceding year, submit to the Executive Director a local cooperative agreement which provides for the allocation of that money under an alternative formula that commences the next fiscal year. (NRS 360.680, 360.690, 360.730) Section 9 of this bill extends until May 31, 2011, the deadline for submitting such a cooperative agreement for an alternative formula that would commence with the fiscal year beginning on July 1, 2011.

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

Section 1. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Department shall:

(a) On or before March 1 of each calendar year, issue an annual report of the projected population of each ~~town, township, city and~~ county in this State as of July 1 of that year and the next succeeding 4 years; and

(b) On or before October 1 of each calendar year, issue an annual report of the projected population, as classified by age, sex, race and Hispanic origin, of each ~~town, township, city and~~ county in this State as of July 1 of that year and the next succeeding 19 years.

2. The Department shall post the annual reports required by subsection 1 on an Internet website maintained by the Department and, if the demographer employed pursuant to NRS 360.283 maintains a separate Internet website, require the demographer to post the annual reports required by subsection 1 on an Internet website maintained by the demographer.

Sec. 2. NRS 360.283 is hereby amended to read as follows:

360.283 1. The Department shall adopt regulations to establish a method of determining annually the population of each town, township, city and county in this State and estimate the population of each town, township, city and county pursuant to those regulations.

2. The Department shall , ***on or after July 1 of each year***, issue an annual report of the estimated population of each town, township, city and county in this State ~~***as of July 1 of that year***~~.

3. Any town, city or county in this State may petition the Department to revise the estimated population of that town, city or county. No such petition may be filed on behalf of a township. The Department shall by regulation establish a procedure to review each petition and to appeal the decision on review.

4. The Department shall, upon the completion of any review and appeal thereon pursuant to subsection 3, determine the population of each town, township, city and county in this State, and submit its determination to the Governor.

5. The Department shall employ a demographer to assist in the determination of population pursuant to this section ***and the projection of population pursuant to section 1 of this act***, and to cooperate with the Federal Government in the conduct of each decennial census as it relates to this State.

Sec. 3. NRS 360.285 is hereby amended to read as follows:

360.285 1. For the purposes of this title, the Governor shall, on or before March 1 of each year, certify the population of each town, township, city and county in this state ***as of the immediately preceding July 1*** from the determination submitted to the Governor by the Department ~~***pursuant to subsection 4 of NRS 360.283***~~.

2. Where any tax is collected by the Department for apportionment in whole or in part to any political subdivision and the basis of the apportionment is the population of the political subdivision, the Department shall use the populations certified by the Governor. The transition from one such certification to the next must be made on July 1 following the certification for use in the fiscal year beginning then. Every payment before that date must be based upon the earlier certification and every payment on or after that date must be based upon the later certification.

Sec. 4. NRS 360.297 is hereby amended to read as follows:

360.297 1. A responsible person who ***willfully*** fails to collect or pay to the Department any tax or fee ~~***imposed by this chapter, chapter 363A, 363B, 368A, 369, 370, 372 or 374 of NRS,***~~ ***required to be paid to the Department pursuant to this title***, NRS 444A.090 or 482.313, or chapter 680B of NRS, or who attempts to evade the payment of any such tax or fee, is jointly and severally liable with any other person who is required to pay such a tax or fee for the tax or fee owed plus interest and all applicable penalties. The responsible person shall pay the tax or fee upon notice from the Department that it is due.

2. As used in this section, "responsible person" includes:

- (a) An officer or employee of a corporation; and
- (b) A member or employee of a partnership or limited-liability company,

↪ whose job or duty it is to collect, account for or pay to the Department any tax or fee ~~[imposed by this chapter, chapter 363A, 363B, 368A, 369, 370, 372 or 374 of NRS,]~~ **required to be paid to the Department pursuant to this title**, NRS 444A.090 or 482.313, or chapter 680B of NRS.

Sec. 5. NRS 360.419 is hereby amended to read as follows:

360.419 1. If the Executive Director or a designated hearing officer finds that the failure of a person to make a timely return or payment of ~~a tax imposed pursuant to NRS 361.320 or chapter 361A, 362, 363A, 363B, 369, 370, 372, 372A, 374, 375A, 375B, 376A, 377 or 377A of NRS,]~~ **any tax or fee required to be paid to the Department pursuant to this title or NRS 482.313** is the result of circumstances beyond his or her control and occurred despite the exercise of ordinary care and without intent, the Department may relieve the person of all or part of any interest or penalty, or both.

2. A person seeking relief must file with the Department a statement under oath setting forth the facts upon which the person bases his or her claim.

3. The Department shall disclose, upon the request of any person:

- (a) The name of the person to whom relief was granted; and
- (b) The amount of the relief.

4. The Executive Director or a designated hearing officer shall act upon the request of a taxpayer seeking relief pursuant to NRS 361.4835 which is deferred by a county treasurer or county assessor.

Sec. 6. NRS 360.420 is hereby amended to read as follows:

360.420 1. If, with respect to any tax or fee administered by the Department, a person:

- (a) Fails to pay the tax or fee when due according to his or her own return filed with the Department;
- (b) Fails to pay a deficiency determination when due; or
- (c) Defaults on a payment pursuant to a written agreement with the Department,

↪ the Department may, within ~~3~~ **4** years after the amount is due, file in the office of the clerk of any court of competent jurisdiction an application for the entry of a summary judgment for the amount due.

2. The application must be accompanied by a certificate specifying:

- (a) The amount required to be paid, including any interest and penalties due;
- (b) The name and address of the person liable for the payment, as they appear on the records of the Department;
- (c) The basis for the determination of the Department of the amount due; and
- (d) That the Department has complied with the applicable provisions of law in relation to the determination of the amount required to be paid.

3. The application must include a request that judgment be entered against the person in the amount required to be paid, including any interest and penalties due, as set forth in the certificate.

Sec. 7. NRS 360.473 is hereby amended to read as follows:

360.473 1. If any tax or fee administered by the Department is not paid when due, the Department may, within ~~3~~ 4 years after the date that the tax or fee was due, file for record a certificate in the office of any county recorder which states:

- (a) The amount of the tax or fee and any interest or penalties due;
- (b) The name and address of the person who is liable for the amount due as they appear on the records of the Department; and
- (c) That the Department has complied with all procedures required by law for determining the amount due.

2. From the time of the filing of the certificate, the amount due, including interest and penalties, constitutes a lien upon all real and personal property in the county owned by the person or acquired by the person afterwards and before the lien expires. The lien has the effect and priority of a judgment lien and continues for 5 years after the time of the filing of the certificate unless sooner released or otherwise discharged.

3. Within 5 years after the date of the filing of the certificate or within 5 years after the date of the last extension of the lien pursuant to this subsection, the lien may be extended by filing for record a new certificate in the office of the county recorder of any county. From the time of filing, the lien is extended to all real and personal property in the county owned by the person or acquired by the person afterwards for 5 years, unless sooner released or otherwise discharged.

Sec. 8. NRS 360.483 is hereby amended to read as follows:

360.483 1. The Department or its authorized representative may issue a warrant for the enforcement of a lien and for the collection of any delinquent tax or fee which is administered by the Department:

- (a) Within ~~3~~ 4 years after the person is delinquent in the payment of the tax or fee; or
- (b) Within 5 years after the last recording of an abstract of judgment or of a certificate constituting a lien for the tax or fee.

2. The warrant must be directed to a sheriff or constable and has the same effect as a writ of execution.

3. The warrant must be levied and sale made pursuant to the warrant in the same manner and with the same effect as a levy of and a sale pursuant to a writ of execution.

Sec. 9. NRS 360.730 is hereby amended to read as follows:

360.730 1. The governing bodies of two or more local governments or special districts, or any combination thereof, may, pursuant to the provisions of NRS 277.045, enter into a cooperative agreement that sets forth an alternative formula for the distribution of the taxes included in the Account to the local governments or special districts which are parties to the agreement.

The governing bodies of each local government or special district that is a party to the agreement must approve the alternative formula by majority vote.

2. The county clerk of a county in which a local government or special district that is a party to a cooperative agreement pursuant to subsection 1 is located shall transmit a copy of the cooperative agreement to the Executive Director:

(a) Within 10 days after the agreement is approved by each of the governing bodies of the local governments or special districts that are parties to the agreement; and

(b) Not later than ~~December 31 of the year~~ May 31 immediately preceding the initial year of distribution that will be governed by the cooperative agreement.

3. The governing bodies of two or more local governments or special districts shall not enter into more than one cooperative agreement pursuant to subsection 1 that involves the same local governments or special districts.

4. If at least two cooperative agreements exist among the local governments and special districts that are located in the same county, the Executive Director shall ensure that the terms of those cooperative agreements do not conflict.

5. Any local government or special district that is not a party to a cooperative agreement pursuant to subsection 1 must continue to receive money from the Account pursuant to the provisions of NRS 360.680 and 360.690.

6. The governing bodies of the local governments and special districts that have entered into a cooperative agreement pursuant to subsection 1 may, by majority vote, amend the terms of the agreement. The governing bodies shall not amend the terms of a cooperative agreement more than once during the first 2 years after the cooperative agreement is effective and once every year thereafter, unless the Committee on Local Government Finance approves the amendment. The provisions of this subsection do not apply to any interlocal agreements for the consolidation of governmental services entered into by local governments or special districts pursuant to the provisions of NRS 277.080 to 277.180, inclusive, that do not relate to the distribution of taxes included in the Account.

7. A cooperative agreement executed pursuant to this section may not be terminated unless the governing body of each local government or special district that is a party to a cooperative agreement pursuant to subsection 1 agrees to terminate the agreement.

8. For each fiscal year the cooperative agreement is in effect, the Executive Director shall continue to calculate the amount each local government or special district that is a party to a cooperative agreement pursuant to subsection 1 would receive pursuant to the provisions of NRS 360.680 and 360.690.

9. If the governing bodies of the local governments or special districts that are parties to a cooperative agreement terminate the agreement pursuant

to subsection 7, the Executive Director must distribute to those local governments or special districts an amount equal to the amount the local government or special district would have received pursuant to the provisions of NRS 360.680 and 360.690 according to the calculations performed pursuant to subsection 8.

~~{Sec. 9.}~~ **Sec. 10.** NRS 375.160 is hereby amended to read as follows:

375.160 1. If any tax imposed pursuant to this chapter is not paid when due, the county may, within ~~{3}~~ 4 years after the date that the tax was due, record a certificate in the office of the county recorder which states:

- (a) The amount of the tax and any interest or penalties due;
- (b) The name and address of the person who is liable for the amount due as they appear on the records of the county; and
- (c) That the county recorder has complied with all procedures required by law for determining the amount due.

2. From the time of the recording of the certificate, the amount due, including interest and penalties, constitutes:

- (a) A lien upon the real property for which the tax was due if the person who owes the tax still owns the property; or
- (b) A demand for payment if the property has been sold or otherwise transferred to another person.

3. The lien has the effect and priority of a judgment lien and continues for 5 years after the time of the recording of the certificate unless sooner released or otherwise discharged.

4. Within 5 years after the date of recording the certificate or within 5 years after the date of the last extension of the lien pursuant to this subsection, the lien may be extended by recording a new certificate in the office of the county recorder. From the time of recording the new certificate, the lien is extended for 5 years, unless sooner released or otherwise discharged.

~~{Sec. 10.}~~ **Sec. 11.** NRS 375.170 is hereby amended to read as follows:

375.170 1. If a person is delinquent in the payment of any tax imposed by this chapter or has not paid the amount of a deficiency determination, the county may bring an action in a court of this state, a court of any other state or a court of the United States that has competent jurisdiction to collect the delinquent or deficient amount, penalties and interest. The action:

(a) May not be brought if the decision that the payment is delinquent or that there is a deficiency determination is on appeal to a hearing officer pursuant to NRS 375.320.

(b) Must be brought not later than ~~{3}~~ 4 years after the payment became delinquent or the determination became final.

2. The district attorney shall prosecute the action. The provisions of the Nevada Revised Statutes, Nevada Rules of Civil Procedure and Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings. In the action, a

writ of attachment may issue. A bond or affidavit is not required before an attachment may be issued.

3. In an action, a certificate by the county recorder showing the delinquency is prima facie evidence of:

- (a) The determination of the tax or the amount of the tax;
- (b) The delinquency of the amounts; and
- (c) The compliance by the county recorder with all the procedures required by law relating to the computation and determination of the amounts.

~~{Sec. 11.}~~ **Sec. 12.** NRS 375.200 is hereby amended to read as follows:

375.200 1. The county or its authorized representative may issue a warrant for the enforcement of a lien and for the collection of any delinquent tax that is administered pursuant to this chapter:

(a) Within ~~{3}~~ 4 years after the person is delinquent in the payment of the tax; or

(b) Within 5 years after the last recording of a certificate copy constituting a lien for the tax.

2. The warrant must be directed to a sheriff or constable and has the same effect as a writ of execution.

3. The warrant must be levied and sale made pursuant to the warrant in the same manner and with the same effect as a levy of and a sale pursuant to a writ of execution.

~~{Sec. 12.}~~ **Sec. 13.** NRS 4.065 is hereby amended to read as follows:

4.065 1. The justice of the peace shall, on the commencement of any action or proceeding in the justice court for which a fee is required, and on the answer or appearance of any defendant in any such action or proceeding for which a fee is required, charge and collect a fee of \$1 from the party commencing, answering or appearing in the action or proceeding. These fees are in addition to any other fee required by law.

2. On or before the first Monday of each month, the justice of the peace shall pay over to the county treasurer the amount of all fees collected by the justice of the peace pursuant to subsection 1 for credit to the State General Fund. Quarterly, the county treasurer shall remit all money so collected to the State Controller, who shall place the money in an account in the State General Fund for use by the Executive Director of the Department of Taxation to administer the provisions of NRS 360.283 ~~{-}~~ **and section 1 of this act.**

~~{Sec. 13.}~~ **Sec. 14.** ~~{This act becomes}~~

1. This section becomes effective upon passage and approval.

2. Section 9 of this act becomes effective upon passage and approval and expires by limitation on June 30, 2011.

3. Sections 1 to 8, inclusive, and 10 to 13, inclusive, of this act become effective on July 1, 2011.

Assemblywoman Kirkpatrick moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Assemblywoman Kirkpatrick moved that Assembly Bill No. 78 be taken from the Chief Clerk's desk and placed at the bottom of the General File.

Motion carried.

Assemblyman Horne moved that Assembly Bill No. 161 be taken from the Chief Clerk's desk and placed at the top of the General File.

Motion carried.

Assemblyman Atkinson moved that Assembly Bill No. 23 be taken from the Chief Clerk's desk and placed at the bottom of the General File.

Motion carried.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 12:49 p.m.

ASSEMBLY IN SESSION

At 12:50 p.m.

Mr. Speaker presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Assembly Bill No. 23.

Bill read third time.

Roll call on Assembly Bill No. 23:

YEAS—42.

NAYS—None.

Assembly Bill No. 23 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 161.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 525.

AN ACT relating to crimes; revising provisions governing the crime of trespassing; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, ~~unless a greater penalty is provided by NRS 200.603, which governs the crime of peering, peeping or spying through an opening of the dwelling of another person,~~ a person who commits the crime of trespassing is guilty of a misdemeanor. (NRS 207.200) **Existing law further provides that, except when a person solicits a child for prostitution, a**

person who engages in prostitution or solicitation for prostitution is also guilty of a misdemeanor. (NRS 201.354) A person who is convicted of a misdemeanor generally must be punished by: (1) imprisonment in the county jail for not more than 6 months; (2) a fine of not more than \$1,000; or (3) both imprisonment and a fine. Alternatively, instead of all or a portion of such punishment, a person may be sentenced to perform community service. (NRS 193.150)

This bill ~~requires that unless a greater penalty is provided by NRS 200.603, it~~ **provides that if** a person ~~who~~ is convicted of trespassing on the premises of a licensed gaming establishment ~~for the third or subsequent time within 5 years must be punished~~, **and the person has been previously convicted of three violations of engaging in or soliciting for prostitution within the immediately preceding 5 years, the court may suspend proceedings against the person under certain circumstances and place the person on probation upon terms and conditions that must include attendance and successful completion of a counseling or educational program or, if the person is dependent upon drugs, a program of treatment and rehabilitation. Before the person is assigned to any such program, he or she must agree to pay the costs associated with the program to the extent of his or her available financial resources. If the person violates any term or condition, the court may enter a judgment of conviction and punish the person** by: (1) a fine of \$1,000; ~~for~~ (2) ~~a fine of \$1,000 and~~ imprisonment in the county jail for not more than 6 months ~~or~~; **or (3) both fine and imprisonment.** A person may also be sentenced to perform community service instead of all or a portion of such punishment. **If the person fulfills the terms and conditions, the court must discharge the person and dismiss the proceedings against him or her. This bill also specifies that such discharge and dismissal by the court is not a conviction for any purpose other than determining additional penalties imposed for second or subsequent convictions or the setting of bail. However, a person may be discharged by the court and have the proceedings dismissed only once under such provisions.**

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

Section 1. ~~NRS 207.200 is hereby amended to read as follows:~~

~~207.200 1. Unless a greater penalty is provided pursuant to subsection 2 or NRS 200.603, any person who, under circumstances not amounting to a burglary:~~

~~(a) Goes upon the land or into any building of another with intent to vex or annoy the owner or occupant thereof, or to commit any unlawful act; or~~

~~(b) Willfully goes or remains upon any land or in any building after having been warned by the owner or occupant thereof not to trespass,~~

~~is guilty of a misdemeanor. The meaning of this subsection is not limited by subsections [2] 3 and [4] 5.~~

~~2.—Unless a greater penalty is provided pursuant to NRS 200.603, any person who has previously been convicted of two or more violations of subsection 1 by trespassing on the premises of a licensed gaming establishment and who commits a third or subsequent violation of subsection 1 within 5 years by trespassing on the premises of a licensed gaming establishment is guilty of a misdemeanor and shall be punished by:~~

~~(a) A fine of \$1,000; or~~

~~(b) A fine of \$1,000 and imprisonment in the county jail for not more than 6 months.~~

~~↪ In lieu of all or a part of the punishment which may be imposed pursuant to this subsection, the person may be sentenced to perform a fixed period of community service pursuant to the conditions prescribed in NRS 476.087.~~

~~3.—A sufficient warning against trespassing, within the meaning of this section, is given by any of the following methods:~~

~~(a) If the land is used for agricultural purposes or for herding or grazing livestock, by painting with fluorescent orange paint:~~

~~(1) Not less than 50 square inches of the exterior portion of a structure or natural object or the top 12 inches of the exterior portion of a post, whether made of wood, metal or other material, at:~~

~~(I) Intervals of such a distance as is necessary to ensure that at least one such structure, natural object or post would be within the direct line of sight of a person standing next to another such structure, natural object or post, but at intervals of not more than 1,000 feet; and~~

~~(II) Each corner of the land, upon or near the boundary; and~~

~~(2) Each side of all gates, cattle guards and openings that are designed to allow human ingress to the area;~~

~~(b) If the land is not used in the manner specified in paragraph (a), by painting with fluorescent orange paint not less than 50 square inches of the exterior portion of a structure or natural object or the top 12 inches of the exterior portion of a post, whether made of wood, metal or other material, at:~~

~~(1) Intervals of such a distance as is necessary to ensure that at least one such structure, natural object or post would be within the direct line of sight of a person standing next to another such structure, natural object or post, but at intervals of not more than 200 feet; and~~

~~(2) Each corner of the land, upon or near the boundary;~~

~~(c) Fencing the area; or~~

~~(d) By the owner or occupant of the land or building making an oral or written demand to any guest to vacate the land or building.~~

~~{3.} 4.—It is prima facie evidence of trespass for any person to be found on private or public property which is posted or fenced as provided in subsection {2} 3 without lawful business with the owner or occupant of the property.~~

~~{4.} 5.—An entryman on land under the laws of the United States is an owner within the meaning of this section.~~

~~{5.} 6.—As used in this section:~~

~~(a) "Fence" means a barrier sufficient to indicate an intent to restrict the area to human ingress, including, but not limited to, a wall, hedge or chain link or wire mesh fence. The term does not include a barrier made of barbed wire.~~

~~(b) "Guest" means any person entertained or to whom hospitality is extended, including, but not limited to, any person who stays overnight. The term does not include a tenant as defined in NRS 118A.170.~~

~~(c) "Licensed gaming establishment" has the meaning ascribed to it in NRS 463.0169.~~ **(Deleted by amendment.)**

Sec. 2. ~~NRS 207.205 is hereby amended to read as follows:~~

~~207.205 1. It is unlawful for any person to post such land within the meaning of subsection [2] 3 of NRS 207.200 unless the person has:~~

~~(a) Obtained written authorization from the owner or occupant of the land, or any building thereon, to do so unless the person is the owner or occupant.~~

~~(b) Placed the name and address of the owner or occupant on each sign.~~

~~2. Any person violating any of the provisions of subsection 1 is guilty of a misdemeanor.~~ **(Deleted by amendment.)**

Sec. 2.5. Chapter 207 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Unless a greater penalty is provided pursuant to NRS 200.603, any person who commits a violation of NRS 207.200 by trespassing on the premises of a licensed gaming establishment and who has previously been convicted of three violations of NRS 201.354 within the immediately preceding 5 years is guilty of a misdemeanor and shall be punished by:

(a) A fine of \$1,000;

(b) Imprisonment in the county jail for not more than 6 months; or

(c) Both fine and imprisonment.

↪ In lieu of all or a part of the punishment which may be imposed pursuant to this subsection, the person may be sentenced to perform a fixed period of community service pursuant to the conditions prescribed in NRS 176.087.

2. The court, without entering a judgment of conviction and with the consent of the accused, may suspend further proceedings and place the person on probation upon terms and conditions that must include attendance and successful completion of a counseling or educational program or, in the case of a person dependent upon drugs, of a program of treatment and rehabilitation pursuant to NRS 453.580.

3. Upon violation of a term or condition, the court may enter a judgment of conviction and punish the person as provided in subsection 1.

4. Upon fulfillment of the terms and conditions, the court shall discharge the accused and dismiss the proceedings against him or her.

5. Except as otherwise provided in subsection 6, discharge and dismissal under this section is without adjudication of guilt and is not a conviction for purposes of this section or for purposes of employment, civil rights or any statute or regulation or license or questionnaire or for any

other public or private purpose, but is a conviction for the purpose of additional penalties imposed for second or subsequent convictions or the setting of bail. Discharge and dismissal restores the person discharged, in the contemplation of the law, to the status occupied before the arrest, indictment or information. The person may not be held thereafter under any law to be guilty of perjury or otherwise giving a false statement by reason of failure to recite or acknowledge that arrest, indictment, information or trial in response to an inquiry made of the person for any purpose. Discharge and dismissal under this section may only occur once with respect to any person.

6. A professional licensing board may consider a proceeding under this section in determining suitability for a license or liability to discipline for misconduct. Such a board is entitled for those purposes to a truthful answer from the applicant or licensee concerning any such proceeding with respect to the applicant or licensee.

7. Before the court assigns a person to a program pursuant to this section, the person must agree to pay the cost of the program to which the person is assigned and the cost of any additional supervision required, to the extent of the financial resources of the person. If the person does not have the financial resources to pay all of the related costs, the court shall, to the extent practicable, arrange for the person to be assigned to a program at a facility that receives a sufficient amount of federal or state funding to offset the remainder of the costs.

8. As used in this section, "licensed gaming establishment" has the meaning ascribed to it in NRS 463.0169.

Sec. 3. The amendatory provisions of this act apply to offenses committed before October 1, 2011, for the purpose of determining whether a person is subject to the provisions of subsection ~~(2)~~ 1 of ~~NRS 207.200, as amended by~~ section ~~44~~ 2.5 of this act.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 1.

Bill read third time.

Remarks by Kirkpatrick

Roll call on Assembly Bill No. 1:

YEAS—42.

NAYS—None.

Assembly Bill No. 1 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 63.

Bill read third time.

Roll call on Assembly Bill No. 63:

YEAS—42.

NAYS—None.

Assembly Bill No. 63 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 76.

Bill read third time.

Remarks by Assemblyman Livermore.

Roll call on Assembly Bill No. 76:

YEAS—42.

NAYS—None.

Assembly Bill No. 76 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 80.

Bill read third time.

Roll call on Assembly Bill No. 80:

YEAS—42.

NAYS—None.

Assembly Bill No. 80 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 117.

Bill read third time.

Remarks by Assemblyman Stewart.

Roll call on Assembly Bill No. 117:

YEAS—42.

NAYS—None.

Assembly Bill No. 117 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 132.

Bill read third time.

Roll call on Assembly Bill No. 132:

YEAS—42.

NAYS—None.

Assembly Bill No. 132 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 242.

Bill read third time.

Remarks by Assemblywoman Kirkpatrick.

Roll call on Assembly Bill No. 242:

YEAS—42.

NAYS—None.

Assembly Bill No. 242 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 248.

Bill read third time.

Roll call on Assembly Bill No. 248:

YEAS—42.

NAYS—None.

Assembly Bill No. 248 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 277.

Bill read third time.

Roll call on Assembly Bill No. 277:

YEAS—40.

NAYS—Kirkpatrick, Smith—2.

Assembly Bill No. 277 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced if there were no objections, the Assembly would
recess subject to the call of the Chair.

Assembly in recess at 1:07 p.m.

ASSEMBLY IN SESSION

At 1:08 p.m.

Madam Speaker pro Tempore presiding.

Quorum present.

Assembly Bill No. 282.

Bill read third time.

Remarks by Assemblymen Ocegüera, Goicoechea, and Ellison.

Roll call on Assembly Bill No. 282:

YEAS—40.

NAYS—Carlton, Pierce—2.

Assembly Bill No. 282 having received a constitutional majority, Madam
Speaker pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Senate.

Madam Speaker pro Tempore announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 1:13 p.m.

ASSEMBLY IN SESSION

At 1:14 p.m.

Mr. Speaker presiding.

Quorum present.

Assembly Bill No. 337.

Bill read third time.

Roll call on Assembly Bill No. 337:

YEAS—42.

NAYS—None.

Assembly Bill No. 337 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 350.

Bill read third time.

Roll call on Assembly Bill No. 350:

YEAS—42.

NAYS—None.

Assembly Bill No. 350 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 351.

Bill read third time.

Roll call on Assembly Bill No. 351:

YEAS—39.

NAYS—Grady, Hambrick, Stewart—3.

Assembly Bill No. 351 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 360.

Bill read third time.

Roll call on Assembly Bill No. 360:

YEAS—42.

NAYS—None.

Assembly Bill No. 360 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 374.

Bill read third time.

Roll call on Assembly Bill No. 374:

YEAS—42.

NAYS—None.

Assembly Bill No. 374 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 376.

Bill read third time.

Remarks by Assemblywoman Smith.

Roll call on Assembly Bill No. 376:

YEAS—42.

NAYS—None.

Assembly Bill No. 376 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 420.

Bill read third time.

Remarks by Assemblyman Stewart.

Roll call on Assembly Bill No. 420:

YEAS—42.

NAYS—None.

Assembly Bill No. 420 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 474.

Bill read third time.

Remarks by Assemblymen Smith and Ocegüera.

Roll call on Assembly Bill No. 474:

YEAS—42.

NAYS—None.

Assembly Bill No. 474 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Joint Resolution No. 1.

Resolution read third time.

Roll call on Assembly Joint Resolution No. 1:

YEAS—41.

NAYS—Kite.

Assembly Joint Resolution No. 1 having received a constitutional majority,

Mr. Speaker declared it passed, as amended.

Resolution ordered transmitted to the Senate.

Assembly Bill No. 212.

Bill read third time.

Roll call on Assembly Bill No. 212:

YEAS—42.

NAYS—None.

Assembly Bill No. 212 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 508.

Bill read third time.

Roll call on Assembly Bill No. 508:

YEAS—33.

NAYS—Carlton, Ellison, Goedhart, Hansen, Hickey, Kite, McArthur, Munford, Smith—9.

Assembly Bill No. 508 having received a two-thirds majority, Mr. Speaker
declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 199.

Bill read third time.

Remarks by Assemblywoman Kirkpatrick.

Roll call on Assembly Bill No. 199:

YEAS—42.

NAYS—None.

Assembly Bill No. 199 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 78.

Bill read third time.

Remarks by Bobzien, Segerblom, Hardy, and Conklin.

Roll call on Assembly Bill No. 78:

YEAS—24.

NAYS—Brooks, Ellison, Goedhart, Goicoechea, Grady, Hambrick, Hammond, Hansen,
Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Ohrenschall, Sherwood, Stewart,
Woodbury—18.

Assembly Bill No. 78 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced if there were no objections, the Assembly would
recess subject to the call of the Chair.

Assemblyman Conklin moved that the Assembly recess until 4 p.m.

Motion carried.

Assembly in recess at 1:41 p.m.

ASSEMBLY IN SESSION

At 4:20 p.m.

Mr. Speaker presiding.

Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker

Your Committee on Government Affairs, to which was referred Assembly Bill No. 471, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.:

MARILYN K. KIRKPATRICK, *Chair*

Mr. Speaker:

Your Committee on Legislative Operations and Elections, to which was referred Assembly Bill No. 81, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

TICK SEGERBLOM, *Chair*

MOTIONS, RESOLUTIONS AND NOTICES

NOTICE OF EXEMPTION

April 26, 2011

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Assembly Bill No. 334.

RICK COMBS

Fiscal Analysis Division

April 26, 2011

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bill No. 83.

Also, the Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bill No. 164.

Also, the Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bill No. 174.

Also, the Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bills Nos. 227 and 250.

MARK KRMPOTIC

Fiscal Analysis Division

Assemblyman Conklin moved that upon return from the printer, Assembly Bills Nos. 93, 100, 334, and 419 be taken from the General File and rereferred to the Committee on Ways and Means.

Motion carried.

Assemblyman Conklin moved that Assembly Bill No. 204 be taken from the Chief Clerk's desk and placed on the General File.

Motion carried.

Assemblywoman Kirkpatrick moved to reconsider the adoption of Amendment No. 515 to Assembly Bill No. 182.

Motion carried.

Assemblywoman Kirkpatrick moved to place Amendment No. 515 to Assembly Bill No. 182 on the Chief Clerk's Desk.

Motion carried.

Assemblywoman Kirkpatrick moved that Assembly Bill No. 122 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

Assemblyman Conklin moved that Assembly Bill No. 394 be taken from its position on the General File and placed at the bottom of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 122.

Bill read third time.

The following amendment was proposed by Assemblyman Livermore:

Amendment No. 543.

AN ACT relating to energy; authorizing the imposition of certain reasonable restrictions or requirements relating to systems for obtaining wind and solar energy; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the governing body of a city or county: (1) may enact zoning regulations and restrictions to promote the health, safety, morals or general welfare of the community; (2) is prohibited from adopting an ordinance or taking any other action which unreasonably prohibits or restricts an owner of real property from using a system for obtaining solar or wind energy on his or her property; (3) may impose a reasonable restriction on the use of a system for obtaining wind energy which is related to the height, noise or safety of the system; and (4) is required to authorize the use of a system which uses solar or wind energy to reduce energy costs for a structure if the system and structure comply with all applicable building codes and zoning ordinances. (NRS 278.020, 278.0207, 278.0208, 278.580) The governing body of a city or county unreasonably prohibits or restricts the use of a system for obtaining solar or wind energy if the governing body imposes restrictions that significantly decrease the efficiency or performance of the solar or wind energy system unless the restriction provides for the use of a comparable alternative system. (NRS 278.0207, 278.0208) **Section 1** of this bill provides that, in addition to reasonable restrictions relating to height, noise or safety, reasonable restrictions on the use of a system for obtaining wind energy may include restrictions relating to setback, location and ~~appearance, and section 2 of this bill authorizes the imposition of reasonable~~ ~~restrictions relating to the appearance, height, location, noise, safety or~~ ~~setback of a system for obtaining solar energy. Additionally, sections 1 and 2~~ ~~require a governing body to adopt an ordinance that: (1) requires the owner~~ ~~of a residential lot to obtain a special use permit or conditional use permit for~~ ~~a wind or solar energy system; and (2) provides affected property owners~~

~~with notice and an opportunity to be heard.] finish. Section 2 of this bill authorizes a governing body to require that a special use permit or conditional permit be obtained for a system for obtaining solar energy proposed to be installed or constructed within the boundaries of an incorporated city or town on nonresidential property that is adjacent to residential property.~~

WHEREAS, Nevada has significant amounts of solar and wind resources available for use in the production of clean, renewable sources of energy; and

WHEREAS, It has been a stated goal of the Nevada Legislature to encourage the availability of these solar and wind resources for use by the residents of this State; and

WHEREAS, Local governments have traditionally been authorized to enact zoning and land use regulations and restrictions to promote the health, safety, morals and general welfare of their communities; and

WHEREAS, It is the intent of the Nevada Legislature to encourage local governments to balance the use of clean, renewable sources of energy with the promotion of the health, safety, morals and general welfare of their communities; now, therefore

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

Section 1. NRS 278.02077 is hereby amended to read as follows:

278.02077 1. Except as otherwise provided in subsection 2:

(a) A governing body shall not adopt an ordinance, regulation or plan or take any other action that prohibits or unreasonably restricts the owner of real property from using a system for obtaining wind energy on his or her property.

(b) Any covenant, restriction or condition contained in a deed, contract or other legal instrument which affects the transfer or sale of, or any other interest in, real property and which prohibits or unreasonably restricts the owner of the property from using a system for obtaining wind energy on his or her property is void and unenforceable.

2. The provisions of subsection 1 do not prohibit a reasonable restriction or requirement:

(a) Imposed pursuant to a determination by the Federal Aviation Administration that the installation of the system for obtaining wind energy would create a hazard to air navigation; or

(b) Relating to the ~~appearance,~~ **finish,** height, **location,** noise , ~~for~~ safety **or setback** of a system for obtaining wind energy ; ~~for~~

~~(c) Prohibiting the construction of more than one system for obtaining wind energy per acre for a residential lot.]~~

3. ~~Each governing body shall adopt an ordinance that:~~

~~(a) Prohibits an owner of a residential lot from installing a system for obtaining wind energy on the residential lot unless the owner has obtained a~~

~~special use permit or conditional use permit for that use of the residential lot, and~~

~~(b) Provides any property owner that would be affected by the system for obtaining wind energy with notice and an opportunity to be heard.~~

~~4-1~~ For the purposes of this section, “unreasonably restricts the owner of the property from using a system for obtaining wind energy” includes the placing of a restriction or requirement on the use of a system for obtaining wind energy which significantly decreases the efficiency or performance of the system and which does not allow for the use of an alternative system at a substantially comparable cost and with substantially comparable efficiency and performance.

Sec. 2. NRS 278.0208 is hereby amended to read as follows:

278.0208 1. ***Except as otherwise provided in subsection 2:***

(a) A governing body shall not adopt an ordinance, regulation or plan or take any other action that prohibits or unreasonably restricts or has the effect of prohibiting or unreasonably restricting the owner of real property from using a system for obtaining solar energy on his or her property.

~~{2-}~~ (b) Any covenant, restriction or condition contained in a deed, contract or other legal instrument which affects the transfer or sale of, or any other interest in, real property and which prohibits or unreasonably restricts or has the effect of prohibiting or unreasonably restricting the owner of the property from using a system for obtaining solar energy on his or her property is void and unenforceable.

2. ~~{The provisions of subsection 1 do not prohibit a reasonable restriction or requirement relating to the appearance, height, location, noise, safety or setback of a system for obtaining solar energy.}~~ **A governing body may require that a special use permit or conditional permit be obtained in the manner provided in NRS 278.315 for the construction or installation of a system for obtaining solar energy within the boundaries of an incorporated city or town on nonresidential property that is adjacent to residential property. As used in this subsection, “nonresidential property” means all real property other than residential property and includes, without limitation, real property owned by a governmental entity.**

3. ~~{Each governing body shall adopt an ordinance that:~~

~~(a) Prohibits an owner of a residential lot from installing a system for obtaining solar energy on the residential lot unless the owner has obtained a special use permit or conditional use permit for that use of the residential lot, and~~

~~(b) Provides any property owner that would be affected by the system for obtaining solar energy with notice and an opportunity to be heard.~~

~~4-1~~ For the purposes of this section, the following shall be deemed to be unreasonable restrictions:

(a) The placing of a restriction or requirement on the use of a system for obtaining solar energy which decreases the efficiency or performance of the system by more than 10 percent of the amount that was originally specified

for the system, as determined by the Director of the Office of Energy, and which does not allow for the use of an alternative system at a substantially comparable cost and with substantially comparable efficiency and performance.

(b) The prohibition of a system for obtaining solar energy that uses components painted with black solar glazing.

Sec. 3. This act becomes effective upon passage and approval.

Assemblywoman Flores moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Assembly Bill No. 204.

Bill read third time

The following amendment was proposed by the Committee on Transportation:

Amendment No. 542.

SUMMARY—Revises provisions regarding salvage vehicles ~~and total loss vehicles.~~ (BDR 43-265)

AN ACT relating to motor vehicles; revising provisions relating to licensed automobile wreckers that obtain vehicles to be processed as parts or scrap metal; **revising provisions relating to the determination that a motor vehicle is a total loss vehicle;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a licensed automobile wrecker to forward to the Department of Motor Vehicles the certificates of title and registration for certain vehicles acquired by the wrecker. (NRS 487.100) **Section 4 of this bill** eliminates that requirement if the wrecker **, pursuant to section 4 of this bill,** provides the Department with certain identifying information about a motor vehicle and affirms to the Department that the motor vehicle is to be processed ~~for~~ **as parts or scrap metal by the wrecker.** ~~Section 2 of this bill~~ **4 provides that if a licensed automobile wrecker procures and files with the Department an additional bond, the wrecker may avail himself or herself of a streamlined procedure for processing as parts or scrap metal vehicles that have reached the end of their useful life. Section 4** requires a licensed automobile wrecker to provide the Department with **an affirmation and** certain information about a motor vehicle that is to be processed ~~for~~ **as parts or scrap metal and** ~~provides~~ **sets forth** that the wrecker may only process the motor vehicle ~~for~~ **as parts or scrap metal** if 5 business days elapse and the wrecker has not been notified by the Department that the vehicle is not to be processed as parts or scrap metal. ~~Section 2~~ **4** also provides that any liability which arises from the processing of a motor vehicle ~~for~~ **as parts or scrap metal** is to be borne by the licensed automobile wrecker, not the Department. In addition, ~~section 2~~ **4** requires the Department to ~~invalidate the vehicle identification number of~~ **issue a**

nonrepairable vehicle certificate for a motor vehicle which has been processed as parts or scrap metal. ~~So that the number cannot subsequently be used to title or register the vehicle.~~ Section ~~5~~ 7 of this bill revises the requirements for a licensed automobile wrecker to maintain records of motor vehicles that have been processed as parts or scrap metal to include the retention for 2 years of any certificates of title or registration or other documentation of ownership obtained when the motor vehicle was acquired.

Existing law restricts the sale of a salvage vehicle in certain circumstances. For example, if such a vehicle has not been repaired, it may only be sold to a salvage pool, automobile auction, rebuilder, automobile wrecker or a new or used motor vehicle dealer. (NRS 487.800) The term “salvage vehicle” includes a “total loss vehicle,” which is defined as a vehicle that has sustained damage to such an extent that the cost of repair, not including the cost of painting any portion of the vehicle, is 65 percent or more of the fair market value of the vehicle immediately before it was damaged. (NRS 487.770, 487.790) Section 11 of this bill revises the definition of “total loss vehicle” to exempt from the cost of repair the replacement of “major” electronic components in accordance with the specifications of the manufacturer and towing charges. Section 11 also specifies that the term “total loss vehicle” does not include a vehicle that was stolen and subsequently recovered if the vehicle has no structural damage but is missing only tires, wheels, or audio or video equipment. Section 13 of this bill makes conforming changes as to exempting from the cost of repair the replacement of “major” electronic components in accordance with the specifications of the manufacturer, and towing charges, when determining an estimate of repair costs for a vehicle in certain circumstances.

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

Section 1. NRS 482.470 is hereby amended to read as follows:

482.470 1. ~~1. If~~ ***Except as otherwise provided in section ~~2~~ 4 of this act, if*** any vehicle is dismantled, junked or rendered inoperative and unfit for further use in accordance with the original purpose for which it was constructed, the owner shall deliver to the Department any certificate of registration and certificate of title issued by the Department or any other jurisdiction, unless the certificate of title is required for the collection of any insurance or other indemnity for the loss of the vehicle, or for transfer in order to dispose of the vehicle.

2. ~~Any~~ ***Except as otherwise provided in section ~~2~~ 4 of this act, any*** other person taking possession of a vehicle described in subsection 1 shall immediately deliver to the Department any license plate or plates, certificate of registration or certificate of title issued by the Department or any other jurisdiction, if the person has acquired possession of any of these and unless

the certificate of title is required for a further transfer in the ultimate disposition of the vehicle.

3. The Department may issue a salvage title as provided in chapter 487 of NRS.

4. The Department shall destroy any plate or plates that are returned in a manner described in subsections 1 and 2.

Sec. 2. Chapter 487 of NRS is hereby amended by adding thereto ~~to a new section to read as follows:~~ the provisions set forth as sections 3 and 4 of this act.

Sec. 3. “Electronic components” means major electrical or electronic items or parts within a motor vehicle, including, without limitation:

1. Computer control modules for the:

(a) Engine of the vehicle;

(b) Air conditioning systems and parts thereof;

(c) Traction control systems and parts thereof;

(d) Antilock braking systems and parts thereof;

(e) Electrical or electronic items used to power or propel a hybrid vehicle;

(f) Wiring harnesses; or

(g) Supplemental restraint systems; and

2. Any other major electrical item or part declared by regulation of the Department to be an electronic component.

Sec. 4. 1. If a licensed automobile wrecker, in addition to any other bond required by NRS 487.047 to 487.200, inclusive, procures and files with the Department a good and sufficient bond in the amount of \$50,000, with a corporate surety thereon licensed to do business in the State of Nevada, approved as to form by the Attorney General, and conditioned that the applicant conducts his or her relevant activities in accordance with the provisions of this section, the wrecker may use the procedure set forth in this section to process a motor vehicle as parts or scrap metal. The additional bond described in this subsection may cover more than one location at which the licensed automobile wrecker does business, if the wrecker holds an ownership interest of 51 percent or more in each such business location.

2. Upon obtaining a motor vehicle that is to be processed as parts or scrap metal, a licensed automobile wrecker ~~for~~ who has procured and filed the additional bond described in subsection 1 and who wishes to use the procedure provided in this section:

(a) Shall ~~for~~ within 2 business days after the date on which the automobile wrecker receives the motor vehicle, transmit to the Department electronically or via facsimile, as specified by the Department, a report that includes:

(1) The make, model, vehicle identification number and registration number, if applicable, of the motor vehicle; and

(2) An affirmation ~~signed~~ by the licensed automobile wrecker that the motor vehicle has been designated by the licensed automobile wrecker for processing as parts or scrap metal.

(b) May process the motor vehicle for parts or scrap metal only if:

(1) Five or more business days elapse after ~~receipt by~~ transmission to the Department of the ~~information~~ report required by paragraph (a); and

(2) The licensed automobile wrecker does not receive notification from the Department that the motor vehicle is not to be processed as parts or scrap metal.

~~2.3.~~ 3. A licensed automobile wrecker ~~that~~ who processes a motor vehicle for parts or scrap metal ~~under~~ pursuant to this section assumes all liability for any injuries to any person or property arising from or incident to the act of such processing. No action may be brought under NRS 41.031 or against an officer or employee of the State or any of its agencies or political subdivisions which is based upon any injuries to any person or property arising from or incident to the act of processing a motor vehicle for parts or scrap metal as authorized pursuant to this section.

~~3.4.~~ 4. If a licensed automobile wrecker submits to the Department the report described in subsection ~~4.2~~ 2 and the Department confirms that the motor vehicle which is the subject of the report has been processed as parts or scrap metal, the Department shall ~~cause the vehicle identification number of~~ issue a nonrepairable vehicle certificate for the motor vehicle. ~~to be invalidated so that the number may not ever again be used for the titling or registration of the vehicle.~~

~~Sec. 3.4.~~ Sec. 5. NRS 487.100 is hereby amended to read as follows:

487.100 1. Except as otherwise provided in ~~subsection 2.3~~ subsections 2 and 3, any automobile wrecker purchasing from any person other than a licensed operator of a salvage pool any vehicle subject to registration pursuant to the laws of this State shall forward to the Department the certificates of title and registration last issued therefor.

2. The certificate of ownership last issued for a mobile home or commercial coach must be sent by the wrecker to the Manufactured Housing Division of the Department of Business and Industry.

3. An automobile wrecker is not required to:

(a) Provide the Department with a certificate of title, salvage title or a nonrepairable vehicle certificate and certificate of registration last issued; or

(b) Obtain from the Department a certificate of title, salvage title, nonrepairable vehicle certificate or certificate of registration,
 ➤ for a motor vehicle that is to be processed as parts or scrap metal by the automobile wrecker pursuant to section ~~2.4~~ 4 of this act.

~~Sec. 4.4.~~ Sec. 6. NRS 487.160 is hereby amended to read as follows:

487.160 1. The Department may suspend, revoke or refuse to renew a license of an automobile wrecker upon determining that the automobile wrecker:

- (a) Is not lawfully entitled thereto;
- (b) Has made, or knowingly or negligently permitted, any illegal use of that license; ~~for~~
- (c) Has failed to return a salvage title to the state agency when and as required of the licensee by NRS 487.710 to 487.890, inclusive ; or
- (d) ~~Has~~ **Except as otherwise provided in section 4 of this act, has failed to surrender to the state agency certificates of title for vehicles before beginning to dismantle or wreck the vehicles, ~~for~~ and section 2 of this act.**

2. The applicant or licensee may, within 30 days after receipt of the notice of refusal, suspension or revocation, petition the Department in writing for a hearing.

3. Hearings under this section and appeals therefrom must be conducted in the manner prescribed in NRS 482.353 and 482.354.

4. The Department may suspend, revoke or refuse to renew a license of an automobile wrecker, or may deny a license to an applicant therefor, for any reason determined by the Director to be in the best interest of the public, or if the licensee or applicant:

- (a) Does not have or maintain an established place of business in this State.
- (b) Made a material misstatement in any application.
- (c) Willfully fails to comply with any applicable provision of this chapter.
- (d) Fails to furnish and keep in force any bond required by NRS 487.047 to 487.200, inclusive.
- (e) Fails to discharge any final judgment entered against the licensee or applicant when the judgment arises out of any misrepresentation of a vehicle, trailer or semitrailer.
- (f) Fails to maintain any license or bond required by a political subdivision of this State.
- (g) Has been convicted of a felony.
- (h) Has been convicted of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter.
- (i) Fails or refuses to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 7.

(j) Knowingly submits or causes to be submitted any false, forged or otherwise fraudulent document to the Department to obtain a lien, title, salvage title or certificate of ownership, or any duplicate thereof, for a vehicle.

(k) Knowingly causes or allows a false, forged or otherwise fraudulent document to be maintained as a record of the business.

(l) Interferes with or refuses to allow an agent of the Department or any peace officer access to and, upon demand, the opportunity to examine any record held in conjunction with the operation of the wrecker.

(m) Displays evidence of unfitness for a license pursuant to NRS 487.165.

5. If an application for a license as an automobile wrecker is denied, the applicant may not submit another application for at least 6 months after the date of the denial.

6. The Department may refuse to review a subsequent application for licensing submitted by any person who violates any provision of this chapter.

7. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy any financial obligation related to the business of dismantling, scrapping, processing or wrecking of vehicles, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 487.047 to 487.200, inclusive, or to determine the suitability of an applicant or a licensee for such licensure.

8. For the purposes of this section, failure to adhere to the directives of the state agency advising the licensee of noncompliance with any provision of NRS 487.047 to 487.200, inclusive, or NRS 487.710 to 487.890, inclusive, **and section ~~27~~ 4 of this act**, or regulations of the state agency, within 10 days after the receipt of those directives, is prima facie evidence of willful failure to comply.

~~{Sec. 5.}~~ **Sec. 7.** NRS 487.170 is hereby amended to read as follows:

487.170 **1.** Every licensed automobile wrecker ~~{, rebuilder or scrap processor}~~ shall maintain a record of all vehicles acquired and processed ~~{, junked, dismantled, wrecked, sold as a part or parts or disposed of}~~ as **parts or scrap metal** ~~{,}~~ **pursuant to section ~~27~~ 4 of this act**. The records must be open to inspection during business hours by any peace officer or investigator of the state agency. Every vehicle record must contain:

~~{1.}~~ **(a)** The name ~~{,}~~ **and** address ~~{and original signature}~~ of the person from whom the vehicle was acquired ; ~~{, until such time as the original signature is submitted to the Department, at which time the record must contain a duplicate of the signature;~~

~~{2.}~~ **(b)** The date the vehicle was acquired;

~~{3.}~~ **(c)** The manner in which the vehicle was acquired by the wrecker ; ~~{, rebuilder or scrap processor;~~

~~{4.}~~ **(d)** The registration number last assigned to the vehicle; ~~{and}~~

~~{5.}~~ **(e)** A brief description of the vehicle, including, insofar as the data may exist with respect to a given vehicle, the make, type, **vehicle**

identification number, serial number and motor number, or any other number of the vehicle ~~{};~~ **and**

(f) Any certificate of title, salvage title, nonrepairable vehicle certificate or other appropriate documentation of ownership required by the Department that was provided to the licensed automobile wrecker by the person from whom the vehicle was acquired.

2. Records maintained pursuant to subsection 1 must be retained by the licensed automobile wrecker for a period of at least 2 years.

~~{Sec. 6.}~~ **Sec. 8.** NRS 487.250 is hereby amended to read as follows:

487.250 1. The state agency or political subdivision shall, within 48 hours after the appraisal, notify the head of the state agency of the removal of the vehicle. The notice must contain:

- (a) A description of the vehicle.
- (b) The appraised value of the vehicle.
- (c) A statement as to whether the vehicle will be junked, dismantled or otherwise disposed of.

2. The person who removed the vehicle must notify the registered owner and any person having a security interest in the vehicle by registered or certified mail that the vehicle has been removed and will be junked or dismantled or otherwise disposed of unless the registered owner or the person having a security interest in the vehicle responds and pays the costs of removal.

3. Failure to reclaim within 15 days after notification a vehicle appraised at \$500 or less constitutes a waiver of interest in the vehicle by any person having an interest in the vehicle.

4. If all recorded interests in a vehicle appraised at \$500 or less are waived, either as provided in subsection 3 or by written disclaimer by any person having an interest in the vehicle, the state agency , **except as otherwise provided in subsection 3 of NRS 487.100**, shall issue a salvage title pursuant to NRS 487.810 to the automobile wrecker who towed the vehicle or to whom the vehicle may have been delivered, or a certificate of title to the garage owner if the garage owner elects to retain the vehicle and the vehicle is equipped as required by chapter 484D of NRS.

~~{Sec. 7.}~~ **Sec. 9.** NRS 487.260 is hereby amended to read as follows:

487.260 1. If the vehicle is appraised at a value of more than \$500, the state agency or political subdivision shall dispose of it as provided in NRS 487.270.

2. If the vehicle is appraised as a junk vehicle, the Department may issue a junk certificate to the automobile wrecker or tow operator who removed the vehicle.

3. An automobile wrecker who possesses a junk certificate for a junk vehicle may ~~{dismantle, scrap, crush or otherwise destroy the vehicle.}~~ **process the vehicle for parts or scrap metal pursuant to section ~~{2}~~ 4 of this act.**

4. A vehicle for which a junk certificate has been issued may be sold to an automobile wrecker by the person to whom the junk certificate was issued by the seller's endorsement on the certificate. ~~[An]~~ ***Except as otherwise provided in subsection 3 of NRS 487.100, an*** automobile wrecker who purchases a vehicle for which a junk certificate has been issued shall immediately affix the business name of the automobile wrecker as purchaser to the first available space provided on the reverse side of the certificate. For the purposes of this subsection, such an automobile wrecker is the owner of the junk vehicle.

5. If insufficient space exists on the reverse side of a junk certificate to transfer the vehicle pursuant to subsection 4, ***except as otherwise provided in subsection 3 of NRS 487.100,*** an automobile wrecker who purchases a junk vehicle for which a junk certificate has been previously issued shall, within 10 days after purchase, apply to the Department for a new junk certificate and surrender the original certificate.

6. A person who sells ~~[, dismantles, scraps, crushes or otherwise destroys]~~ a junk vehicle shall maintain, for at least 2 years, a copy of the junk certificate and a record of the name and address of the person from whom the vehicle was acquired and the date thereof. The person shall allow any peace officer or any investigator employed by a state agency to inspect the records during business hours.

7. ***An automobile wrecker who processes a junk vehicle for parts or scrap metal shall maintain records as required by NRS 487.170.***

8. As used in this section, "junk vehicle" means a vehicle, including component parts, which:

- (a) Has been discarded or abandoned;
- (b) Has been ruined, wrecked, dismantled or rendered inoperative;
- (c) Is unfit for further use in accordance with the original purpose for which it was constructed;
- (d) Is not registered with the Department or has not been reclaimed by the registered owner or a person having a security interest in the vehicle within 15 days after notification pursuant to NRS 487.250; and
- (e) Has value principally as scrap which does not exceed \$200.

~~[Sec. 8.]~~ ***Sec. 10.*** NRS 487.710 is hereby amended to read as follows:

487.710 As used in NRS 487.710 to 487.890, inclusive, ~~and section 2]~~ ***sections 3 and 4 of this act,*** unless the context otherwise requires, the words and terms defined in NRS 487.720 to 487.790, inclusive, ***and section 3 of this act*** have the meanings ascribed to them in those sections.

Sec. 11. NRS 487.790 is hereby amended to read as follows:

487.790 1. "Total loss vehicle" means a motor vehicle:

- (a) Of a type which is subject to registration; and
- (b) Which has been wrecked, destroyed or otherwise damaged to such an extent that the cost of repair ~~[, not including any cost associated with painting any portion of the vehicle,]~~ is 65 percent or more of the fair market value of the vehicle immediately before it was wrecked, destroyed or otherwise

damaged ~~it~~, except that, for the purposes of this paragraph, the cost of repair does not include the cost of:

(1) Painting any portion of the vehicle;

(2) Replacing electronic components in accordance with the specifications of the manufacturer; or

(3) Towing the vehicle.

2. The term does not include:

(a) A nonrepairable vehicle;

(b) A motor vehicle which is 10 model years old or older and which, to restore the vehicle to its condition before it was wrecked, destroyed or otherwise damaged and regardless of cost, requires the replacement of only:

(1) The hood;

(2) The trunk lid;

(3) A fender;

(4) Two or fewer of the following parts or assemblies, which may be bolted or unbolted:

(I) Doors;

(II) A grill assembly;

(III) A bumper assembly;

(IV) A headlight assembly; or

(V) A taillight assembly; or

~~(4)~~ (5) Any combination of subparagraph (1), (2), ~~for~~ (3), ~~it~~ or (4);

(c) A motor vehicle, regardless of the age of the vehicle, for which the cost to repair the vehicle ~~is not including any cost associated with painting any portion of the vehicle,~~ is less than 65 percent of the fair market value of the vehicle immediately before the vehicle was wrecked, destroyed or otherwise damaged ~~it~~, except that, for the purposes of this paragraph, the cost of repair does not include the cost of:

(1) Painting any portion of the vehicle;

(2) Replacing electronic components in accordance with the specifications of the manufacturer; or

(3) Towing the vehicle; or

(d) A motor vehicle that was stolen and subsequently recovered, if the motor vehicle:

(1) Has no structural damage; and

(2) Is missing only tires, wheels, audio or video equipment, or some combination thereof.

3. For the purposes of this section, the model year of manufacture is calculated based on a year beginning on January 1 of the calendar year in which the damage occurs.

~~{Sec. 9.}~~ **Sec. 12.** NRS 487.880 is hereby amended to read as follows:

487.880 A nonrepairable vehicle:

1. Must be processed as parts or scrap metal by a licensed automobile wrecker. ~~{ dismantler or recycler. }~~

2. May not be rebuilt, reconstructed or restored for operation on the highways of this State.

3. Must be issued a certificate by the state agency which indicates that it is a nonrepairable vehicle before any ownership interest in the vehicle may be transferred.

Sec. 13. NRS 487.890 is hereby amended to read as follows:

487.890 An estimate of the cost of repair for a motor vehicle pursuant to NRS 487.800:

1. Must be calculated using the cost of the parts and labor required to restore the vehicle to the condition it was in immediately before it was wrecked, destroyed or otherwise damaged. The cost of parts and labor must be based on:

(a) The current published actual retail price of original manufacturer equipment, retail price of new alternative equipment or the actual cost of used parts.

(b) Rates for labor which are commonly charged in the community in which the repairs will be performed.

2. May not include any cost associated with ~~painting~~ :

(a) Painting any portion of the vehicle ~~it~~ ;

(b) Replacing electronic components in accordance with the specifications of the manufacturer; or

(c) Towing the vehicle.

~~{Sec. 10.}~~ **Sec. 14.** The Department of Motor Vehicles shall adopt the regulations necessary to implement the provisions of **sections 1, 4 to 9, inclusive, and 12 of** this act on or before December 31, 2011.

~~{Sec. 11.}~~ **Sec. 15. 1. This section and section 14 of this act become effective upon passage and approval.**

2. Sections 2, 3, 10, 11 and 13 of this act become effective on July 1, 2011.

3. Sections 1, 4 to 9, inclusive, and 12 of this act ~~becomes~~ become effective ~~upon passage and approval for the purpose of adopting regulations and~~ on January 1, 2012. ~~for all other purposes.~~

Assemblywoman Dondero Loop moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 81.

Bill read third time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 310.

AN ACT relating to elections; ~~revising provisions relating to declarations of candidacy or acceptance of candidacy;~~ clarifying ~~when~~ **how** a minor political party may be ~~recognized;~~ **organized;** revising certain requirements for petitions of referendum; ~~increasing fees for filing for candidacy; revising~~

~~provisions concerning ballots;~~ revising provisions relating to counting ballots, posting voting results and recounts; ~~requiring employers to allow employees to be absent to participate in the nomination process for President of the United States;~~ providing that the residency of spouses of certain military personnel is not changed whether absent or present in this State; making various changes concerning campaign contributions and expenditures; making various other changes to provisions governing elections; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~Existing law requires a person to file a declaration of candidacy or acceptance of candidacy in order to have the person's name appear on a ballot. (NRS 293.177, 293C.185) Sections 4 and 31 of this bill prohibit a person from filing a declaration or acceptance of candidacy if the person has an outstanding civil penalty or fine related to a violation of a provision of election law.~~

In order to qualify to place the names of candidates on the ballot, under existing law, a minor political party must have filed with the Secretary of State a certificate of existence and a list of candidates. Also, the minor political party must have: (1) at the last preceding general election, polled for any of its candidates for partisan office a number of votes equal to or more than 1 percent of the total number of votes cast for the offices of Representative in Congress; (2) been designated as the political party on the applications to register to vote of at least 1 percent of the total number of registered voters in this State; or (3) filed a petition with the Secretary of State which is signed by a number of registered voters equal to at least 1 percent of the total number of votes cast at the last preceding election for the offices of Representative of Congress. Alternatively, the minor political party may place the name of a candidate on the ballot if the minor political party has filed with the Secretary of State a certificate of existence and a petition on behalf of the candidate that it wants to place on the ballot containing a certain number of signatures. (NRS 293.1715) **Sections 16, 16.2 and 16.4 of this bill remove the option of a minor political party to place a candidate on the ballot by filing a petition on behalf of the candidate. Sections 6 and 15-18 of this bill clarify that an organization is ~~recognized~~ organized** as a minor political party when it files a certificate of existence. A minor political party must still meet the other requirements in order to qualify to place candidates on the ballot.

Sections 7-12 and 64 of this bill provide that the signature and verification requirements for initiative petitions also apply to petitions for referendum.

Existing law provides the requirements for nominating candidates for office and placing candidates on the ballot for the general election. (NRS 293.165, 293.166, 293.368) **Sections 13, 14 and 25** of this bill move the date after which no change may be made on the ballot for the general election

from the first Tuesday after the primary election to the fourth Friday in June of the year in which the general election is held.

Existing law provides that if a person willfully files a declaration or acceptance of candidacy that contains a false statement, the name of the person must not appear on the ballot for the election for which the person filed the declaration or acceptance of candidacy. (NRS 293.184, 293C.1865) **Sections 19 and 32** of this bill further require that if the name of such a person appears on the ballot because the deadline for making changes to the ballot has passed, the Secretary of State, county clerk or city clerk must inform voters by posting signs at polling places that the person is disqualified from entering upon the duties of office.

~~¶ Section 20 of this bill increases the fees for filing for candidacy for federal, state, county, city and township office. Section 20 exempts a person who does not have the ability to pay the fees in certain circumstances.~~

Section 21 of this bill allows a person to cast a primary ballot for a major political party only if the person is a member of that major political party.

~~¶ Section 22 of this bill revises the order in which candidates for justice of the Supreme Court will appear on a ballot so that they appear with other constitutional officers.~~

Existing law sets forth procedures for depositing absent ballots in the ballot box, including verifying the absent voter's signature that appears on the back of the return envelope or facsimile. (NRS 293.333, 293C.332) Because certain military personnel and overseas citizens may return special absent ballots via approved electronic transmission other than facsimile, **sections 23 and 33** of this bill authorize the verification of the signature of these voters by comparing the signature from the special absent ballot or the oath of the voter that must be included in the special absent ballot with that on the original application to register to vote.

Existing law sets forth the period for early voting by personal appearance at a primary or general election, which excludes Sundays and state and federal holidays. (NRS 293.3568, 293C.3568) **Sections 24 and 34** of this bill provide that state holidays are not excluded from that period.

Section 26 of this bill prohibits a county clerk from posting voting results for a statewide or multicounty race or ballot question until the Secretary of State notifies the county clerk that all polling places are closed and all votes have been cast.

Section 27 of this bill ~~authorizes a person who~~ **revises the procedure for** demands **for** an election recount in a county or city using a mechanical voting system ~~to demand the recount of only absent ballots cast by mail.~~

~~Existing law requires an employer to allow an employee to be absent from his or her place of employment for the purpose of voting in an election. (NRS 293.463) Section 28 of this bill requires employers to also allow employees to be absent from their places of employment to participate in the nomination process for candidates for President of the United States at a caucus of a political party.~~ **and for recounts affecting more than one county.**

Existing law provides that a person does not gain or lose residence in the State by reason of his or her presence or absence while being employed in the military, naval or civil service of the United States or the State of Nevada or while engaged in the navigation of the waters of the United States or of the high seas. (NRS 293.487) **Section 30** of this bill provides that the spouse of such a person also does not gain or lose residence in the State.

Sections 36.5 and 39.5 of this bill differentiate between “campaign expenses” and “expenditures” for purposes of campaign reporting requirements.

Section 37 of this bill requires certain persons, committees for political action, political parties and committees of political parties that ~~make an expenditure of~~ **expend** more than \$100 for the purpose of financing certain public communications to disclose on the communication the name of the person, committee or political party that paid for the communication.

~~Section 38 of this bill requires that certain independent expenditures on behalf of a candidate or group of candidates of more than \$5,000 be reported to the Secretary of State.~~

~~Existing law limits the amount that may be contributed to a candidate for office to \$5,000 for the primary election and \$5,000 for the general election. (NRS 294A.100) Section 41 of this bill limits the amount that may be contributed to a committee for political action that is organized solely for the support or opposition of a single candidate to \$5,000 for the primary election and \$5,000 for the general election.~~

~~Sections 42, 44-48 and 57 of this bill amend the dates for filing reports relating to campaign contribution and expenditures and add an additional report that must be filed by candidates, groups and various parties and committees.~~

Section 49 of this bill provides that if a committee for political action fails to register with the Secretary of State before engaging in any activity within the State, the Secretary of State may impose on the committee a civil penalty for each time the committee engages in activity without being registered.

Sections 40, 44, 45, 47, 48, 50-53, 55, 59-62 and 69 of this bill repeal the term “business entity” and remove the term from provisions governing registration and campaign contribution and expenditure reporting. These entities, however, are not exempt from the provisions because they are business organizations included within the term “person” as defined in existing law. (NRS 294A.009)

Section 54 of this bill : **(1) prohibits a candidate or public officer from using campaign contributions to pay civil or criminal penalties; and (2)** authorizes a candidate or public officer to use campaign contributions to pay for legal expenses that the candidate or public officer incurred in relation to a campaign or while serving in public office. Any such candidate or public officer is not required to establish a legal defense fund in order to use campaign contributions to pay for legal expenses, but **sections 29, 54, 56, 58,**

59, 61 and 62 of this bill require the candidate or public officer to report the expenditure of such money on his or her campaign expenditure reports.

Section 58 of this bill adds contributions made to another candidate, a nonprofit corporation, a committee for political action or a committee for the recall of a public officer to the categories of expenditures that must be reported on campaign expenditure reports.

Section 65 of this bill requires the affidavit executed by a circulator of a petition for initiative or referendum to include the contact information of the circulator and a statement that the circulator is at least 18 years of age.

~~{Section}~~ **Sections 65.5 and 66 of this bill : (1) clarify that a candidate for or person appointed to the office of Legislator is required to file a statement of financial disclosure with the Secretary of State; and (2) requires a {Legislator} public officer who leaves office to file a statement of financial disclosure on January 15th of the year immediately following the year in which the {Legislator's term expires} public officer leaves office unless the public officer leaves office before January 15 in the prior year.**

Sections 67 and 68 of this bill require that candidates for city office in the cities of Carlin and Wells file declarations of candidacy at the same time as candidates for statewide office.

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

Section 1. Chapter 293 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.

Sec. 2. *“Central counting place” means the location designated by the county or city clerk for the compilation of election returns.*

Sec. 3. *“Undervote” means a ballot that has been cast by a voter but shows no legally valid selection for any candidate for a particular office or for a ballot question.*

Sec. 4. ~~{1. Except as otherwise provided in this section, a person may not submit and the county clerk shall not accept a declaration of candidacy or acceptance of candidacy if a civil penalty has been issued or a fine imposed against the person for a violation of any provision of this title and the civil penalty or fine remains unpaid.~~

~~2. Notwithstanding the provisions of subsection 1, a person described in subsection 1 may submit and the county clerk shall accept the declaration of candidacy or acceptance of candidacy if the unpaid civil penalty or fine is under appeal and the person posts a bond with the Secretary of State for the same amount as the unpaid civil penalty or fine.~~

~~3. Not later than 15 days before the first day for filing a declaration of candidacy or acceptance of candidacy set forth in NRS 293.177, the Secretary of State shall notify each county clerk of, and post on the Secretary of State's Internet website, the name of any person who is prohibited from filing a declaration of candidacy or acceptance of candidacy pursuant to this section.} (Deleted by amendment.)~~

Sec. 5. NRS 293.010 is hereby amended to read as follows:

293.010 As used in this title, unless the context otherwise requires, the words and terms defined in NRS 293.013 to 293.121, inclusive, **and sections 2 and 3 of this act** have the meanings ascribed to them in those sections.

Sec. 6. NRS 293.066 is hereby amended to read as follows:

293.066 “Minor political party” means any organization which ~~qualifies~~ **is ~~recognized~~ organized** as such pursuant to NRS 293.171.

Sec. 7. NRS 293.127561 is hereby amended to read as follows:

293.127561 1. The Legislature shall establish petition districts from which signatures for a petition for initiative **or referendum** that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution of this State~~ **constitutional amendment or statewide measure** must be gathered. The petition districts must be established in a manner that is fair to all residents of the State, represent approximately equal populations and ensure that each signature is afforded the same weight.

2. Petition districts must be:

(a) Based on the population databases compiled by the Bureau of the Census of the United States Department of Commerce as validated and incorporated into the geographic information system by the Legislative Counsel Bureau for use by the Nevada Legislature.

(b) Designated in the maps filed with the Office of the Secretary of State pursuant to NRS 293.127562.

Sec. 8. NRS 293.127563 is hereby amended to read as follows:

293.127563 1. As soon as practicable after each general election, the Secretary of State shall determine the number of signatures required to be gathered from each petition district within the State for a petition for initiative **or referendum** that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution of this State~~ **constitutional amendment or statewide measure**.

2. To determine the number of signatures required to be gathered from a petition district, the Secretary of State shall calculate the amount that equals 10 percent of the voters who voted in that petition district at the last preceding general election.

Sec. 9. NRS 293.1276 is hereby amended to read as follows:

293.1276 1. Within 4 days, excluding Saturdays, Sundays and holidays, after the submission of a petition containing signatures which are required to be verified pursuant to NRS 293.128, 293.165, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110, the county clerk shall determine the total number of signatures affixed to the documents and, in the case of a petition for **initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution~~ **constitutional amendment or statewide measure**, shall tally the number of signatures for each petition district contained fully or partially within the county and forward that information to the Secretary of State.

2. If the Secretary of State finds that the total number of signatures filed with all the county clerks is less than 100 percent of the required number of registered voters, the Secretary of State shall so notify the person who submitted the petition and the county clerks and no further action may be taken in regard to the petition. If the petition is a petition to recall a county, district or municipal officer, the Secretary of State shall also notify the officer with whom the petition is to be filed.

3. After the petition is submitted to the county clerk, it must not be handled by any other person except by an employee of the county clerk's office until it is filed with the Secretary of State.

Sec. 10. NRS 293.1277 is hereby amended to read as follows:

293.1277 1. If the Secretary of State finds that the total number of signatures submitted to all the county clerks is 100 percent or more of the number of registered voters needed to declare the petition sufficient, the Secretary of State shall immediately so notify the county clerks. Within 9 days, excluding Saturdays, Sundays and holidays, after notification, each of the county clerks shall determine the number of registered voters who have signed the documents submitted in the county clerk's county and, in the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, shall tally the number of signatures for each petition district contained or fully contained within the county clerk's county.

2. If more than 500 names have been signed on the documents submitted to a county clerk, the county clerk shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerk is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures, whichever is greater.

3. In determining from the records of registration the number of registered voters who signed the documents, the county clerk may use the signatures contained in the file of applications to register to vote. If the county clerk uses that file, the county clerk shall ensure that every application in the file is examined, including any application in his or her possession which may not yet be entered into the county clerk's records. The county clerk shall rely only on the appearance of the signature and the address and date included with each signature in making his or her determination.

4. In the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, when the county clerk is determining the number of registered voters who signed the documents from each petition district contained fully or partially within the county clerk's county, he or she must use the statewide voter registration list available pursuant to NRS 293.675.

5. Except as otherwise provided in subsection 7, upon completing the examination, the county clerk shall immediately attach to the documents a certificate properly dated, showing the result of the examination, including the tally of signatures by petition district, if required, and transmit the documents with the certificate to the Secretary of State. ~~## In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, if~~ a petition district comprises more than one county, ~~and the petition proposes a statute, an amendment to a statute or an amendment to the Constitution,~~ the appropriate county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the certificate. A copy of this certificate must be filed in the clerk's office. When the county clerk transmits the certificate to the Secretary of State, the county clerk shall notify the Secretary of State of the number of requests to remove a name received by the county clerk pursuant to NRS 295.055 or 306.015.

6. A person who submits a petition to the county clerk which is required to be verified pursuant to NRS 293.128, 293.165, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110 must be allowed to witness the verification of the signatures. A public officer who is the subject of a recall petition must also be allowed to witness the verification of the signatures on the petition.

7. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.165, 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not transmit to the Secretary of State the documents containing the signatures of the registered voters.

8. The Secretary of State shall by regulation establish further procedures for carrying out the provisions of this section.

Sec. 11. NRS 293.1278 is hereby amended to read as follows:

293.1278 1. If the certificates received by the Secretary of State from all the county clerks establish that the number of valid signatures is less than 90 percent of the required number of registered voters, the petition shall be deemed to have failed to qualify, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

2. If those certificates establish that the number of valid signatures is equal to or more than the sum of 100 percent of the number of registered voters needed to make the petition sufficient plus the total number of requests to remove a name received by the county clerks pursuant to NRS 295.055 or 306.015 and, in the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, that the petition has the minimum number of signatures required for each petition district, the petition shall be deemed to qualify as of the date of receipt by the Secretary of State of those certificates, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

3. If the certificates establish that the petitioners have 100 percent or more of the number of registered voters needed to make the petition sufficient but the petition fails to qualify pursuant to subsection 2, each county clerk who received a request to remove a name pursuant to NRS 295.055 or 306.015 shall remove each name as requested, amend the certificate and transmit the amended certificate to the Secretary of State. If the amended certificates establish that the petitioners have 100 percent or more of the number of registered voters needed to make the petition sufficient and, in the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, that the petition has the minimum number of signatures required for each petition district, the petition shall be deemed to qualify as of the date of receipt by the Secretary of State of the amended certificates, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

Sec. 12. NRS 293.1279 is hereby amended to read as follows:

293.1279 1. If the statistical sampling shows that the number of valid signatures filed is 90 percent or more, but less than the sum of 100 percent of the number of signatures of registered voters needed to declare the petition sufficient plus the total number of requests to remove a name received by the county clerks pursuant to NRS 295.055 or 306.015, the Secretary of State shall order the county clerks to examine the signatures for verification. The county clerks shall examine the signatures for verification until they determine that 100 percent of the number of signatures of registered voters needed to declare the petition sufficient are valid. If the county clerks received a request to remove a name pursuant to NRS 295.055 or 306.015, the county clerks may not determine that 100 percent of the number of signatures of registered voters needed to declare the petition sufficient are valid until they have removed each name as requested pursuant to NRS 295.055 or 306.015.

2. Except as otherwise provided in this subsection, if the statistical sampling shows that the number of valid signatures filed in any county is 90 percent or more but less than the sum of 100 percent of the number of signatures of registered voters needed to constitute 10 percent of the number of voters who voted at the last preceding general election in that county plus the total number of requests to remove a name received by the county clerk in that county pursuant to NRS 295.055 or 306.015, the Secretary of State may order the county clerk in that county to examine every signature for verification. If the county clerk received a request to remove a name pursuant to NRS 295.055 or 306.015, the county clerk may not determine that 100 percent or more of the number of signatures of registered voters needed to constitute 10 percent of the number of voters who voted at the last preceding general election in that county are valid until the county clerk has removed each name as requested pursuant to NRS 295.055 or 306.015. In the case of a petition for initiative **or referendum** that proposes a ~~statute, an amendment~~

~~to a statute or an amendment to the Constitution of this State,]~~ **constitutional amendment or statewide measure**, if the statistical sampling shows that the number of valid signatures in any petition district is 90 percent or more but less than the sum of 100 percent of the number of signatures of registered voters required for that petition district pursuant to NRS 295.012 plus the total number of requests to remove a name received by the county clerk or county clerks, if the petition district comprises more than one county, pursuant to NRS 295.055, the Secretary of State may order a county clerk to examine every signature for verification.

3. Within 12 days, excluding Saturdays, Sundays and holidays, after receipt of such an order, the county clerk or county clerks shall determine from the records of registration what number of registered voters have signed the petition and, if appropriate, tally those signatures by petition district. If necessary, the board of county commissioners shall allow the county clerk additional assistants for examining the signatures and provide for their compensation. In determining from the records of registration what number of registered voters have signed the petition and in determining in which petition district the voters reside, the county clerk must use the statewide voter registration list. The county clerk may rely on the appearance of the signature and the address and date included with each signature in determining the number of registered voters that signed the petition.

4. Except as otherwise provided in subsection 5, upon completing the examination, the county clerk or county clerks shall immediately attach to the documents of the petition an amended certificate, properly dated, showing the result of the examination and shall immediately forward the documents with the amended certificate to the Secretary of State. A copy of the amended certificate must be filed in the county clerk's office. In the case of a petition **for initiative or referendum** to propose a ~~statute, an amendment to a statute or an amendment to the Constitution,]~~ **constitutional amendment or statewide measure**, if a petition district comprises more than one county, the county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the amended certificate.

5. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.165, 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not forward to the Secretary of State the documents containing the signatures of the registered voters.

6. Except for a petition to recall a county, district or municipal officer, the petition shall be deemed filed with the Secretary of State as of the date on which the Secretary of State receives certificates from the county clerks showing the petition to be signed by the requisite number of voters of the State.

7. If the amended certificates received from all county clerks by the Secretary of State establish that the petition is still insufficient, the Secretary of State shall immediately so notify the petitioners and the county clerks. If

the petition is a petition to recall a county, district or municipal officer, the Secretary of State shall also notify the officer with whom the petition is to be filed.

8. The Secretary of State shall adopt regulations to carry out the provisions of this section.

Sec. 13. NRS 293.165 is hereby amended to read as follows:

293.165 1. Except as otherwise provided in NRS 293.166, a vacancy occurring in a major or minor political party nomination for a partisan office may be filled by a candidate designated by the party central committee of the county or State, as the case may be, of the major political party or by the executive committee of the minor political party subject to the provisions of subsections 4 and 5.

2. A vacancy occurring in a nonpartisan nomination after the close of filing and on or before 5 p.m. of the second Tuesday in April must be filled by filing a nominating petition that is signed by registered voters of the State, county, district or municipality who may vote for the office in question. The number of registered voters who sign the petition must not be less than 1 percent of the number of persons who voted for the office in question in the State, county, district or municipality at the last preceding general election. The petition must be filed not earlier than the first Tuesday in March and not later than the fourth Tuesday in April. The petition may consist of more than one document. Each document must bear the name of one county and must be signed only by a person who is a registered voter of that county and who may vote for the office in question. Each document of the petition must be submitted for verification pursuant to NRS 293.1276 to 293.1279, inclusive, to the county clerk of the county named on the document. A candidate nominated pursuant to the provisions of this subsection:

(a) Must file a declaration of candidacy or acceptance of candidacy and pay the statutory filing fee on or before the date the petition is filed; and

(b) May be elected only at a general election, and the candidate's name must not appear on the ballot for a primary election.

3. A vacancy occurring in a nonpartisan nomination after 5 p.m. of the second Tuesday in April and on or before 5 p.m. on the ~~first Tuesday after the primary election~~ **fourth Friday in June of the year in which the general election is held** must be filled by the person who receives the next highest vote for the nomination in the primary.

4. No change may be made on the ballot for the general election after 5 p.m. on the ~~first Tuesday after the primary election~~ **fourth Friday in June of the year in which the general election is held**. If a nominee dies after that time and date, the nominee's name must remain on the ballot for the general election and, if elected, a vacancy exists.

5. All designations provided for in this section must be filed on or before 5 p.m. on the ~~first Tuesday after the primary election~~ **fourth Friday in June of the year in which the general election is held**. In each case, the

statutory filing fee must be paid and an acceptance of the designation must be filed on or before 5 p.m. on the date the designation is filed.

Sec. 14. NRS 293.166 is hereby amended to read as follows:

293.166 1. A vacancy occurring in a party nomination for the office of State Senator, Assemblyman or Assemblywoman from a legislative district comprising more than one county may be filled as follows, subject to the provisions of subsections 2 and 3. The county commissioners of each county, all or part of which is included within the legislative district, shall meet to appoint a person who is of the same political party as the former nominee and who actually, as opposed to constructively, resides in the district to fill the vacancy, with the chair of the board of county commissioners of the county whose population residing within the district is the greatest presiding. Each board of county commissioners shall first meet separately and determine the single candidate it will nominate to fill the vacancy. Then, the boards shall meet jointly and the chairs on behalf of the boards shall cast a proportionate number of votes according to the percent, rounded to the nearest whole percent, which the population of its county is of the population of the entire district. Populations must be determined by the last decennial census or special census conducted by the Bureau of the Census of the United States Department of Commerce. The person who receives a plurality of these votes is appointed to fill the vacancy. If no person receives a plurality of the votes, the boards of county commissioners of the respective counties shall each as a group select one candidate, and the nominee must be chosen by drawing lots among the persons so selected.

2. No change may be made on the ballot after the ~~{first Tuesday after the primary election}~~ **fourth Friday in June** of the year in which the general election is held. If a nominee dies after that date, the nominee's name must remain on the ballot and, if elected, a vacancy exists.

3. The designation of a nominee pursuant to this section must be filed with the Secretary of State **on or** before 5 p.m. on the ~~{first Tuesday after the primary election}~~ **fourth Friday in June of the year in which the general election is held**, and the statutory filing fee must be paid with the designation.

Sec. 15. NRS 293.171 is hereby amended to read as follows:

293.171 1. To ~~{qualify}~~ ~~be recognized}~~ **organized** as a minor political party, an organization must file with the Secretary of State a certificate of existence which includes the:

- (a) Name of the political party;
- (b) Names of its officers;
- (c) Names of the members of its executive committee; and
- (d) Name of the person authorized to file the list of its candidates for partisan office with the Secretary of State.

2. A copy of the constitution or bylaws of the party must be affixed to the certificate.

3. A minor political party shall file with the Secretary of State an amended certificate of existence within 5 days after any change in the information contained in the certificate.

4. The constitution or bylaws of a minor political party must provide a procedure for the nomination of its candidates in such a manner that only one candidate may be nominated for each office.

5. A minor political party whose candidates for partisan office do not appear on the ballot for the general election must file a notice of continued existence with the Secretary of State not later than the second Friday in August preceding the general election.

6. A minor political party which fails to file a notice of continued existence as required by subsection 5 ceases to exist as a minor political party in this State.

Sec. 16. NRS 293.1715 is hereby amended to read as follows:

293.1715 1. The names of the candidates for partisan office of a minor political party must not appear on the ballot for a primary election.

2. The names of the candidates for partisan office of a minor political party must be placed on the ballot for the general election if the *minor political* party ~~has~~ **is qualified. To qualify as a minor political party, the minor political party must have** filed a certificate of existence and ~~be recognized~~ **organized pursuant to NRS 293.171, must have filed** a list of its candidates for partisan office pursuant to the provisions of NRS 293.1725 with the Secretary of State and:

(a) At the last preceding general election, the minor political party **must have** polled for any of its candidates for partisan office a number of votes equal to or more than 1 percent of the total number of votes cast for the offices of Representative in Congress;

(b) On January 1 preceding a primary election, the minor political party ~~has~~ **must have** been designated as the political party on the applications to register to vote of at least 1 percent of the total number of registered voters in this State; or

(c) Not later than the ~~second~~ **third** Friday in ~~June~~ **May** preceding the general election, ~~files~~ **must file** a petition with the Secretary of State which is signed by a number of registered voters equal to at least 1 percent of the total number of votes cast at the last preceding general election for the offices of Representative in Congress.

3. ~~The name of a candidate for partisan office for a minor political party other than a candidate for the office of President or Vice President of the United States must be placed on the ballot for the general election if the minor political party has filed:~~

~~(a) A certificate of existence [;] [and is recognized pursuant to NRS 293.171;~~

~~(b) A list of candidates for partisan office containing the name of the candidate pursuant to the provisions of NRS 293.1725 with the Secretary of State; and~~

~~(c) Not earlier than the first Monday in March preceding the general election and not later than 5 p.m. on the second Friday after the first Monday in March, a petition on behalf of the candidate with the Secretary of State containing not less than:~~

~~(1) Two hundred fifty signatures of registered voters if the candidate is to be nominated for a statewide office; or~~

~~(2) One hundred signatures of registered voters if the candidate is to be nominated for any office except a statewide office.~~

~~→ A minor political party that places names of one or more candidates for partisan office on the ballot pursuant to this subsection may also place the names of one or more candidates for partisan office on the ballot pursuant to subsection 2.~~

~~4.1~~ The name of only one candidate of each minor political party for each partisan office may appear on the ballot for a general election.

~~15.1~~ **4.** A minor political party must file a copy of the petition required by paragraph (c) of subsection 2 ~~for paragraph (c) of subsection 3~~ with the Secretary of State before the petition may be circulated for signatures.

Sec. 16.2. NRS 293.172 is hereby amended to read as follows:

293.172 1. A petition filed pursuant to subsection 2 ~~for 3~~ of NRS 293.1715 may consist of more than one document. Each document of the petition must:

(a) Bear the name of the minor political party and, if applicable, the candidate and office to which the candidate is to be nominated.

(b) Include the affidavit of the person who circulated the document verifying that the signers are registered voters in this State according to his or her best information and belief and that the signatures are genuine and were signed in his or her presence.

(c) Bear the name of a county and be submitted to the county clerk of that county for verification in the manner prescribed in NRS 293.1276 to 293.1279, inclusive, not later than 25 working days before the last day to file the petition. A challenge to the form of a document must be made in a district court in the county that is named on the document.

(d) Be signed only by registered voters of the county that is named on the document.

2. If the office to which the candidate is to be nominated is a county office, only the registered voters of that county may sign the petition. If the office to which the candidate is to be nominated is a district office, only the registered voters of that district may sign the petition.

3. Each person who signs a petition shall also provide the address of the place where he or she resides, the date that he or she signs and the name of the county in which he or she is registered to vote.

4. The county clerk shall not disqualify the signature of a voter who failed to provide all the information required by subsection 3 if the voter is registered in the county named on the document.

Sec. 16.4. NRS 293.1725 is hereby amended to read as follows:

293.1725 1. Except as otherwise provided in subsection 4, a minor political party that wishes to place its candidates for partisan office on the ballot for a general election and:

(a) Is entitled to do so pursuant to paragraph (a) or (b) of subsection 2 of NRS 293.1715; **or**

(b) Files or will file a petition pursuant to paragraph (c) of subsection 2 of NRS 293.1715. ~~For~~

~~(c) Whose candidates are entitled to appear on the ballot pursuant to subsection 3 of NRS 293.1715;~~

↪ must file with the Secretary of State a list of its candidates for partisan office not earlier than the first Monday in March preceding the election nor later than 5 p.m. on the second Friday after the first Monday in March. The list must be signed by the person so authorized in the certificate of existence of the minor political party before a notary public or other person authorized to take acknowledgments. ~~[The Secretary of State shall strike from the list each candidate who is not entitled to appear on the ballot pursuant to subsection 3 of NRS 293.1715 if the minor political party is not entitled to place candidates on the ballot pursuant to subsection 2 of NRS 293.1715.]~~ The list may be amended not later than 5 p.m. on the second Friday after the first Monday in March.

2. The Secretary of State shall immediately forward a certified copy of the list of candidates for partisan office of each minor political party to the filing officer with whom each candidate must file his or her declaration of candidacy.

3. Each candidate on the list must file his or her declaration of candidacy with the appropriate filing officer and pay the fee required by NRS 293.193 not earlier than the date on which the list of candidates for partisan office of the minor political party is filed with the Secretary of State nor later than 5 p.m. on the second Friday after the first Monday in March.

4. A minor political party that wishes to place candidates for the offices of President and Vice President of the United States on the ballot and has qualified to place the names of its candidates for partisan office on the ballot for the general election pursuant to subsection 2 of NRS 293.1715 must file with the Secretary of State a certificate of nomination for these offices not later than the first Tuesday in September.

Sec. 17. NRS 293.174 is hereby amended to read as follows:

293.174 ~~[1-]~~ If the qualification of a minor political party **to place the names of candidates on the ballot pursuant to NRS 293.1715** is challenged, all affidavits and documents in support of the challenge must be filed not later than 5 p.m. on the third Friday in June. Any judicial proceeding resulting from the challenge must be set for hearing not more than 5 days after the third Friday in June. A challenge pursuant to this ~~[subsection]~~ **section** must be filed with the First Judicial District Court if the petition was filed with the Secretary of State.

~~{2.—If the qualification of a candidate of a minor political party other than a candidate for the office of President or Vice President of the United States is challenged, all affidavits and documents in support of the challenge must be filed not later than 5 p.m. on the fourth Monday in March. Any judicial proceeding resulting from the challenge must be set for hearing not more than 5 days after the fourth Monday in March. A challenge pursuant to this subsection must be filed with:~~

- ~~(a) The First Judicial District Court; or~~
- ~~(b) If a candidate who filed a declaration of candidacy with a county clerk is challenged, the district court for the county where the declaration of candidacy was filed.}~~

Sec. 18. NRS 293.176 is hereby amended to read as follows:

293.176 1. Except as otherwise provided in subsection 2, no person may be a candidate of a major political party for partisan office in any election if the person has changed:

- (a) The designation of his or her political party affiliation; or
 - (b) His or her designation of political party from nonpartisan to a designation of a political party affiliation,
- ➔ on an application to register to vote in the State of Nevada or in any other state during the time beginning on December 31 preceding the closing filing date for that election and ending on the date of that election whether or not the person's previous registration was still effective at the time of the change in party designation.

2. The provisions of subsection 1 do not apply to any person who is a candidate of a political party that ~~{was}~~ **is** not ~~{qualified}~~ **is** ~~{recognized}~~ **organized** pursuant to NRS 293.171 on the December 31 next preceding the closing filing date for the election.

Sec. 19. NRS 293.184 is hereby amended to read as follows:

293.184 1. In addition to any other penalty provided by law, if a person ~~{knowingly and}~~ willfully files a declaration of candidacy or acceptance of candidacy ~~{which}~~ **knowing that the declaration of candidacy or acceptance of candidacy** contains a false statement:

~~{1.—The}~~

(a) **Except as otherwise provided in NRS 293.165 and 293.166, the** name of the person must not appear on any ballot for the election for which the person filed the declaration of candidacy or acceptance of candidacy; and

~~{2.—}~~ (b) The person is disqualified from entering upon the duties of the office for which he or she was a candidate.

2. **If the name of a person who is disqualified from entering upon the duties of an office pursuant to subsection 1 appears on a ballot for the election is disqualified because the deadline set forth in NRS 293.165 and 293.166 for making changes to the ballot has passed, the Secretary of State and county clerk must post a sign at each polling place where the person's name will appear on the ballot informing voters that the person is disqualified from entering upon the duties of office.**

Sec. 20. ~~[NRS 293.193 is hereby amended to read as follows:~~

~~293.193 1. [Fees] Except as otherwise provided in subsection 6, fees as listed in this section for filing declarations of candidacy or acceptances of candidacy must be paid to the filing officer by cash, cashier's check or certified check.~~

~~United States Senator \$500 \$3,000~~

~~Representative in Congress 300 2,000~~

~~Governor 300 2,000~~

~~Justice of the Supreme Court 300 1,500~~

~~Any state office, other than Governor or justice of the Supreme Court 200 1,500~~

~~District judge 150 500~~

~~Justice of the peace 100 250~~

~~Any county office 100 300~~

~~State Senator 100 300~~

~~Assemblyman or Assemblywoman 100 300~~

~~Any district office other than district judge 30 100~~

~~Constable or other town or township office 30 100~~

~~For the purposes of this subsection, trustee of a county school district, hospital or hospital district is not a county office.~~

~~2. [No] Except as otherwise provided in subsections 3 and 6, no filing fee may be required from a candidate for an office the holder of which receives no compensation. The provisions of this subsection apply even if the holder is eligible to receive per diem or reimbursement of expenses.~~

~~3. Except in the case of a State Senator, Assemblyman or Assemblywoman, and except as otherwise provided in subsection 6, a filing fee of \$25 is required from a candidate for an office the holder of which receives annual compensation in the amount of \$1,000 or less.~~

~~4. The county clerk shall pay to the county treasurer all filing fees received from candidates. The county treasurer shall deposit the money to the credit of the general fund of the county.~~

~~[4.] 5. Except as otherwise provided in NRS 293.194, a filing fee paid pursuant to this section is not refundable.~~

~~6. A candidate for an office is not required to pay the filing fee required pursuant to this section if the candidate files with his or her declaration of candidacy or acceptance of candidacy:~~

~~(a) An affidavit, in the form prescribed by the Secretary of State and signed under penalty of perjury, that the candidate does not have the financial ability to pay the filing fee; and~~

~~(b) A petition to include the candidate on the ballot for the relevant office. Such a petition is subject to the requirements set forth in NRS 293.12757 to 293.1279, inclusive, must be in the form prescribed by the Secretary of State and must contain at least a number of signatures of registered voters within the candidate's district that is not less than the~~

~~amount of the filing fee prescribed by subsection 1, 2 or 3, as applicable.~~
(Deleted by amendment.)

Sec. 21. NRS 293.257 is hereby amended to read as follows:

293.257 1. There must be a separate primary ballot for each major political party. The names of candidates for partisan offices who have designated a major political party in the declaration of candidacy or acceptance of candidacy must appear on the primary ballot of the major political party designated.

2. The county clerk may choose to place the names of candidates for nonpartisan offices on the ballots for each major political party or on a separate nonpartisan primary ballot, but the arrangement which the county clerk selects must permit all registered voters to vote on them.

3. A registered voter may cast a primary ballot for a major political party at a primary election only if the registered voter designated on his or her application to register to vote an affiliation with that major political party.

Sec. 22. ~~NRS 293.268 is hereby amended to read as follows:~~

~~293.268 The offices for which there are candidates, the names of the candidates therefor, and the questions to be voted upon must be printed on ballots in the following order:~~

- ~~1. President and Vice President of the United States.~~
 - ~~2. United States Senator and Representative in Congress, in that sequence.~~
 - ~~3. Governor, Lieutenant Governor, Secretary of State, Treasurer, Controller, [and] Attorney General [,] and justice of the Supreme Court, in that sequence.~~
 - ~~4. State Senators and members of the Assembly.~~
 - ~~5. County and township partisan offices.~~
 - ~~6. [Statewide] Except as otherwise provided in subsection 3, statewide nonpartisan offices.~~
 - ~~7. District nonpartisan offices.~~
 - ~~8. County nonpartisan offices.~~
 - ~~9. City offices:~~
 - ~~(a) Mayor;~~
 - ~~(b) Council members according to ward in numerical order, if no wards, in alphabetical order; and~~
 - ~~(c) Municipal judges.~~
 - ~~10. Township nonpartisan offices.~~
 - ~~11. Questions presented to the voters of the State with advisory questions listed in consecutive order after any other questions presented to the voters of the State.~~
 - ~~12. Questions presented only to the voters of a special district or political subdivision of the State with advisory questions listed in consecutive order after any other questions presented only to the voters of a special district or political subdivision of the State.~~
- (Deleted by amendment.)**

Sec. 23. NRS 293.333 is hereby amended to read as follows:

293.333 On the day of an election, the precinct or district election boards receiving the absent voters' ballots from the county clerk shall, in the presence of a majority of the election board officers, remove the ballots from the ballot box and the containers in which the ballots were transported pursuant to NRS 293.325 and deposit the ballots in the regular ballot box in the following manner:

1. The name of the voter, as shown on the return envelope , ~~for~~ facsimile, ***special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable***, must be called and checked as if the voter were voting in person;

2. The signature on the back of the return envelope or on the facsimile , ***special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable***, must be compared with that on the original application to register to vote;

3. If the board determines that the absent voter is entitled to cast a ballot, the envelope must be opened, the numbers on the ballot and envelope compared, the number strip or stub detached from the ballot and, if the numbers are the same, the ballot deposited in the regular ballot box; and

4. The election board officers shall mark in the roster opposite the name of the voter the word "Voted."

Sec. 24. NRS 293.3568 is hereby amended to read as follows:

293.3568 1. The period for early voting by personal appearance begins the third Saturday preceding a primary or general election and extends through the Friday before election day, Sundays and ***federal*** holidays excepted.

2. The county clerk may:

(a) Include any Sunday or ***federal*** holiday that falls within the period for early voting by personal appearance.

(b) Require a permanent polling place for early voting to remain open until 8 p.m. on any Saturday that falls within the period for early voting.

3. A permanent polling place for early voting must remain open:

(a) On Monday through Friday:

(1) During the first week of early voting, from 8 a.m. until 6 p.m.

(2) During the second week of early voting, from 8 a.m. until 6 p.m., or until 8 p.m. if the county clerk so requires.

(b) On any Saturday that falls within the period for early voting, for at least 4 hours between 10 a.m. and 6 p.m.

(c) If the county clerk includes a Sunday that falls within the period for early voting pursuant to subsection 2, during such hours as the county clerk may establish.

Sec. 25. NRS 293.368 is hereby amended to read as follows:

293.368 1. Whenever a candidate whose name appears upon the ballot at a primary election dies after 5 p.m. of the second Tuesday in April, the deceased candidate's name must remain on the ballot and the votes cast for

the deceased candidate must be counted in determining the nomination for the office for which the decedent was a candidate.

2. If the deceased candidate on the ballot at the primary election receives the number of votes required to receive the nomination to the office for which he or she was a candidate, except as otherwise provided in subsection 3 of NRS 293.165, the deceased candidate shall be deemed nominated and the vacancy in the nomination must be filled as provided in NRS 293.165 or 293.166. If the deceased person was a candidate for a nonpartisan office, the nomination must be filled pursuant to subsection 2 of NRS 293.165.

3. Whenever a candidate whose name appears upon the ballot at a general election dies after 5 p.m. on the ~~{first Tuesday after the primary election,}~~ **fourth Friday in June of the year in which the general election is held,** the votes cast for the deceased candidate must be counted in determining the results of the election for the office for which the decedent was a candidate.

4. If the deceased candidate on the ballot at the general election receives the majority of the votes cast for the office, the deceased candidate shall be deemed elected and the office to which he or she was elected shall be deemed vacant at the beginning of the term for which he or she was elected. The vacancy thus created must be filled in the same manner as if the candidate had died after taking office for that term.

Sec. 26. NRS 293.383 is hereby amended to read as follows:

293.383 1. Except as otherwise provided in ~~{subsection 2,}~~ **this section,** each counting board, before it adjourns, shall post a copy of the voting results in a conspicuous place on the outside of the place where the votes were counted.

2. ~~{When}~~ **Except as otherwise provided in subsection 3, when** votes are cast on ballots which are mechanically or electronically tabulated in accordance with the provisions of chapter 293B of NRS, the county clerk shall, as soon as possible, post copies of the tabulated voting results in a conspicuous place on the outside of the counting facility or courthouse.

3. **The Secretary of State shall notify each county clerk as soon as is reasonably practicable when every polling place is closed and all votes have been cast. A county clerk shall not post copies of the tabulated voting results for a statewide or multicounty race or ballot question until the county clerk has received notification from the Secretary of State that all polling places are closed and all votes have been cast.**

4. Each copy of the voting results posted in accordance with subsections 1, ~~{and}~~ **2 and 3** must set forth the accumulative total of all the votes cast within the county or other political subdivision conducting the election and must be signed by the members of the counting board or the computer program and processing accuracy board.

Sec. 27. NRS 293.404 is hereby amended to read as follows:

293.404 1. Where a recount is demanded pursuant to the provisions of NRS 293.403, the:

(a) County clerk of each county affected by the recount shall employ a recount board to conduct the recount in the county, and shall act as chair of the recount board unless the recount is for the office of county clerk, in which case the registrar of voters of the county, if a registrar of voters has been appointed for the county, shall act as chair of the recount board. If a registrar of voters has not been appointed for the county, the chair of the board of county commissioners, if the chair is not a candidate on the ballot, shall act as chair of the recount board. If the recount is for the office of county clerk, a registrar of voters has not been appointed for the county and the chair of the board of county commissioners is a candidate on the ballot, the chair of the board of county commissioners shall appoint another member of the board of county commissioners who is not a candidate on the ballot to act as chair of the recount board. A member of the board of county commissioners who is a candidate on the ballot may not serve as a member of the recount board.

(b) City clerk shall employ a recount board to conduct the recount in the city, and shall act as chair of the recount board unless the recount is for the office of city clerk, in which case the mayor of the city, if the mayor is not a candidate on the ballot, shall act as chair of the recount board. If the recount is for the office of city clerk and the mayor of the city is a candidate on the ballot, the mayor of the city shall appoint another member of the city council who is not a candidate on the ballot to act as chair of the recount board. A member of the city council who is a candidate on the ballot may not serve as a member of the recount board.

2. Each candidate for the office affected by the recount and the voter who demanded the recount, if any, may be present in person or by an authorized representative, but may not be a member of the recount board.

3. Except in counties or cities using a mechanical voting system, the recount must include a count and inspection of all ballots, including rejected ballots, and must determine whether those ballots are marked as required by law.

4. If a recount is demanded in a county or city using a mechanical voting system, the person who demanded the recount shall select the ballots for the office or ballot question affected from 5 ~~4~~

~~(a) Five~~ percent of the total number of precincts ~~for that particular office or ballot question,~~ but in no case fewer than three precincts, after notification to each candidate for the office or the candidate's authorized representative ~~for~~ ~~or~~

~~(b) The absent ballots cast by mail in that county or city.~~

5. The recount board shall examine the selected ballots, including any duplicate or rejected ballots, shall determine whether the ballots have been voted in accordance with this title and shall ~~count~~ **recount** the valid ballots ~~by hand. In addition, a recount by computer must be made of all the selected ballots.~~ **in the same manner in which the ballots were originally tabulated.** If the ~~count by hand or the~~ recount ~~by computer~~ of the selected ballots **for**

all 5 percent of the precincts selected shows a total combined discrepancy of all precincts selected equal to or greater than 1 percent or five votes, whichever is greater, for the candidate demanding the recount or the candidate who won the election according to the original canvass of the returns, or in favor of or against a ballot question, according to the original canvass of the returns, the county or city clerk, as applicable, shall determine whether the person who demanded the recount is entitled to a recount and, if so, shall order a ~~recount by hand~~ recount of all the ballots for that office or ballot question. ~~Otherwise, the county or city clerk shall order a recount by computer of all the ballots for all candidates for the office or all the ballots for the ballot question.~~

~~{5.}~~ 6. The county or city clerk shall unseal and give to the recount board all ballots to be counted.

~~{6.}~~ 7. In the case of a demand for a recount affecting more than one county, including, without limitation, a statewide office or a ballot question, the demand must be made to the Secretary of State. ~~{7.}~~ The person who demanded the recount shall select the ballots for the statewide office or ballot question affected from 5 percent of the total number of precincts for that particular office or ballot question after notification to each candidate for the office or the candidate's representative. The Secretary of State shall notify the county clerks ~~{to proceed with the recount.}~~ of the 5 percent of statewide precincts selected by the person who demanded the recount to examine the ballots in accordance with the provisions of this section and to notify the Secretary of State of the results of the recount in their respective precincts. If the separate examinations, when combined, show a total discrepancy equal to or greater than 1 percent for the candidate demanding the recount or the candidate who won the election, according to the original canvass of the returns, or in favor of or against a ballot question, according to the original canvass of the returns, the Secretary of State shall determine whether the person who demanded the recount is entitled to a recount and, if so, shall order the county or city clerk, as applicable, to recount all the ballots for that office or ballot question.

8. The Secretary of State may adopt regulations to carry out the provisions of this section.

Sec. 28. ~~{NRS 293.463 is hereby amended to read as follows:~~

~~293.463 1. Any registered voter may be absent from his or her place of employment at a time to be designated by the employer for a sufficient time to vote [.] or participate in the nomination process for candidates for President of the United States at a caucus of a political party, if it is impracticable for the voter to vote or participate in the nomination process before or after his or her hours of employment. A sufficient time to vote shall be determined as follows:~~

~~(a) If the distance between the place of such voter's employment and the polling place or place where the caucus is held, as applicable, where such person votes is 2 miles or less, 1 hour.~~

~~(b) If the distance is more than 2 miles but not more than 10 miles, 2 hours.~~

~~(c) If the distance is more than 10 miles, 3 hours.~~

~~2. Such voter may not, because of such absence, be discharged, disciplined or penalized, nor shall any deduction be made from his or her usual salary or wages by reason of such absence.~~

~~3. Application for leave of absence to vote or participate in the nomination process shall be made to the employer or person authorized to grant such leave prior to the day of the election.~~

~~4. Any employer or person authorized to grant the leave of absence provided for in subsection 1, who denies any registered voter any right granted under this section, or who otherwise violates the provisions of this section, is guilty of a misdemeanor. (Deleted by amendment.)~~

Sec. 29. NRS 293.4687 is hereby amended to read as follows:

293.4687 1. The Secretary of State shall maintain a website on the Internet for public information maintained, collected or compiled by the Secretary of State that relates to elections, which must include, without limitation:

(a) The Voters' Bill of Rights required to be posted on the Secretary of State's Internet website pursuant to the provisions of NRS 293.2549;

(b) The abstract of votes required to be posted on a website pursuant to the provisions of NRS 293.388;

(c) A current list of the registered voters in this State that also indicates the petition district in which each registered voter resides;

(d) A map or maps indicating the boundaries of each petition district; and

(e) All reports on campaign contributions and expenditures submitted to the Secretary of State pursuant to the provisions of NRS 294A.120, 294A.125, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283, 294A.360 and 294A.362 ~~and section 38 of this act~~ and all reports on contributions received by and expenditures made from a legal defense fund **or used to pay for legal expenses** submitted to the Secretary of State pursuant to NRS 294A.286.

2. The abstract of votes required to be maintained on the website pursuant to paragraph (b) of subsection 1 must be maintained in such a format as to permit the searching of the abstract of votes for specific information.

3. If the information required to be maintained by the Secretary of State pursuant to subsection 1 may be obtained by the public from a website on the Internet maintained by a county clerk or city clerk, the Secretary of State may provide a hyperlink to that website to comply with the provisions of subsection 1 with regard to that information.

Sec. 30. NRS 293.487 is hereby amended to read as follows:

293.487 No person may gain or lose residence by reason of his or her presence or absence while ~~employed~~ :

1. **Employed** in the military, naval or civil service of the United States or of the State of Nevada, or while engaged in the navigation of the waters of the United States or of the high seas ~~[-, or while a]~~ **or while married to another person who is so employed or engaged;**

2. A student at any seminary or other institution of learning ~~[-, or while a]~~ ; or

3. An inmate of any public institution.

Sec. 31. ~~[Chapter 293C of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. Except as otherwise provided in this section, a person may not submit and the city clerk shall not accept a declaration of candidacy or acceptance of candidacy if a civil penalty has been issued or a fine imposed against the person for a violation of any provision of this title and the civil penalty or fine remains unpaid.~~

~~2. Notwithstanding the provisions of subsection 1, a person described in subsection 1 may submit and the city clerk shall accept the declaration of candidacy or acceptance of candidacy if the unpaid civil penalty or fine is under appeal and the person posts a bond with the Secretary of State for the same amount as the unpaid civil penalty or fine.~~

~~3. Not later than 15 days before the first day for filing a declaration of candidacy or acceptance of candidacy set forth in NRS 293C.185, the Secretary of State shall notify each city clerk of, and post on the Secretary of State's Internet website, the name of any person who is prohibited from filing a declaration of candidacy or acceptance of candidacy pursuant to this section.] (Deleted by amendment.)~~

Sec. 32. NRS 293C.1865 is hereby amended to read as follows:

293C.1865 1. In addition to any other penalty provided by law, if a person ~~knowingly and~~ willfully files a declaration of candidacy or acceptance of candidacy ~~[which]~~ **knowing that the declaration of candidacy or acceptance of candidacy** contains a false statement:

~~{1.—The}~~

(a) **Except as otherwise provided in NRS 293.165 or 293.166, the** name of the person must not appear on any ballot for the election for which the person filed the declaration of candidacy or acceptance of candidacy; and

~~{2.—}~~ (b) The person is disqualified from entering upon the duties of the office for which he or she was a candidate.

2. **If the name of a person who is disqualified from entering upon the duties of an office pursuant to subsection 1 appears on a ballot for the election is disqualified because the deadline set forth in NRS 293.165 and 293.166 for making changes to the ballot has passed, the Secretary of State and city clerk must post a sign at each polling place where the person's name will appear on the ballot informing voters that the person is disqualified from entering upon the duties of office.**

Sec. 33. NRS 293C.332 is hereby amended to read as follows:

293C.332 On the day of an election, the precinct or district election boards receiving the absent voters' ballots from the city clerk shall, in the presence of a majority of the election board officers, remove the ballots from the ballot box and the containers in which the ballots were transported pursuant to NRS 293C.325 and deposit the ballots in the regular ballot box in the following manner:

1. The name of the voter, as shown on the return envelope , ~~for~~ facsimile, ***special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable***, must be called and checked as if the voter were voting in person;

2. The signature on the back of the return envelope or on the facsimile , ***special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable***, must be compared with that on the original application to register to vote;

3. If the board determines that the absent voter is entitled to cast a ballot, the envelope must be opened, the numbers on the ballot and envelope compared, the number strip or stub detached from the ballot and, if the numbers are the same, the ballot deposited in the regular ballot box; and

4. The election board officers shall mark in the roster opposite the name of the voter the word "Voted."

Sec. 34. NRS 293C.3568 is hereby amended to read as follows:

293C.3568 1. The period for early voting by personal appearance begins the third Saturday preceding a primary city election or general city election, and extends through the Friday before election day, Sundays and ***federal*** holidays excepted.

2. The city clerk may:

(a) Include any Sunday or ***federal*** holiday that falls within the period for early voting by personal appearance.

(b) Require a permanent polling place for early voting to remain open until 8 p.m. on any Saturday that falls within the period for early voting.

3. A permanent polling place for early voting must remain open:

(a) On Monday through Friday:

(1) During the first week of early voting, from 8 a.m. until 6 p.m.

(2) During the second week of early voting, from 8 a.m. until 6 p.m., or until 8 p.m. if the city clerk so requires.

(b) On any Saturday that falls within the period for early voting, for at least 4 hours between 10 a.m. and 6 p.m.

(c) If the city clerk includes a Sunday that falls within the period for early voting pursuant to subsection 2, during such hours as the city clerk may establish.

Sec. 35. Chapter 294A of NRS is hereby amended by adding thereto the provisions set forth as sections 36, ~~37 and 38~~ , ***inclusive***, of this act.

Sec. 36. "***Advocates expressly***" or "***expressly advocates***" means that a communication, taken as a whole, is susceptible to no other reasonable

interpretation other than as an appeal to vote for or against a clearly identified candidate or group or candidates or a question or group of questions on the ballot at a primary election, primary city election, general election, general city election or special election. A communication does not have to include the words "vote for," "vote against," "elect," "support" or other similar language to be considered a communication that expressly advocates the passage or defeat of a candidate or a question.

Sec. 36.5. "Campaign expenses" means:

1. All expenses incurred by a candidate for a campaign, including, without limitation:

(a) Office expenses;

(b) Expenses related to volunteers;

(c) Expenses related to travel;

(d) Expenses related to advertising;

(e) Expenses related to paid staff;

(f) Expenses related to consultants;

(g) Expenses related to polling;

(h) Expenses related to special events;

(i) Expenses related to a legal defense fund; and

(j) Contributions made to another candidate, a nonprofit corporation that is registered or required to be registered pursuant to NRS 294A.225, a committee for political action that is registered or required to be registered pursuant to NRS 294A.230 or a committee for the recall of a public officer that is registered or required to be registered pursuant to NRS 294A.250.

2. Expenditures, as defined in NRS 294A.004.

Sec. 37. 1. A person, committee for political action, political party or committee sponsored by a political party that ~~makes an expenditure of~~ expends more than \$100 for the purpose of financing a communication ~~including, without limitation, an electioneering communication,~~ through any television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing or any other type of general public political advertising that:

(a) Advocates expressly the election or defeat of a clearly identified candidate or group of candidates; or

(b) Solicits a contribution through any television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing or any other type of general public political advertising,

↪ shall disclose on the communication the name of the person, committee for political action, political party or committee sponsored by a political party that paid for the communication.

2. If a communication described in subsection 1 is approved by a candidate, in addition to the requirements of subsection 1, the communication must state that the candidate approved the communication and disclose the street address, telephone number and Internet address, if

any, of the person, committee for political action, political party or committee sponsored by a political party that paid for the communication.

3. A person, committee for political action, political party or committee sponsored by a political party that has an Internet website available for viewing by the general public or that sends out an electronic mailing to more than 500 people that:

(a) Advocates expressly the election or defeat of a clearly identified candidate or group of candidates; or

(b) Solicits a contribution through any television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing or any other type of general public political advertising,

↪ shall disclose on the Internet website or electronic mailing, as applicable, the name of the person, committee for political action, political party or committee sponsored by a political party.

4. The disclosures and statements required pursuant to this section must be clear and conspicuous, and easy to read or hear, as applicable.

~~§ 5. As used in this section, "electioneering communication" has the meaning ascribed to it in 11 C.F.R. § 100.29.~~

Sec. 38. ~~1. Every person who is not under the direction or control of a candidate for office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party or committee sponsored by a political party which makes an expenditure on behalf of such a candidate or group of candidates shall, report each expenditure in excess of \$5,000 and expenditures to the same payee which cumulatively exceed \$5,000 that have not been reported previously pursuant to NRS 204A.210. Such a report must be on the form designed and provided by the Secretary of State pursuant to NRS 204A.373. The form must be signed by the person or a representative of the committee or political party under penalty of perjury.~~

~~2. The reporting requirements set forth in subsection 1 apply to the person, committee or political party beginning on January 1 of the year of the general election or general city election for the office until 20 days preceding the general election or general city election for that office.~~

~~3. Expenditures made within this State or made elsewhere but for use within this State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.~~

~~4. The reports must be filed with:~~

~~(a) If the candidate is elected from one county, the county clerk of that county;~~

~~(b) If the candidate is elected from one city, the city clerk of that city; or~~

~~(e) If the candidate is elected from more than one county or city, the Secretary of State.~~

~~5. If an expenditure is made on behalf of a group of candidates, the reports must be itemized by the candidate. A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer on the date that it was received by the officer, regardless of whether the report was sent by regular mail or certified mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~6. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.~~

~~7. The Secretary of State may adopt regulations to carry out the provisions of this section.~~ (Deleted by amendment.)

Sec. 39. NRS 294A.002 is hereby amended to read as follows:

294A.002 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS ~~[294A.003]~~ **294A.004** to 294A.009, inclusive, ~~and [section]~~ **sections 36 and 36.5 of this act** have the meanings ascribed to them in those sections.

Sec. 39.5. **NRS 294A.004 is hereby amended to read as follows:**

294A.004 ~~["Campaign expenses" and "expenditures" mean:]~~
"Expenditures" means:

1. Those expenditures made for advertising on television, radio, billboards, posters and in newspapers; and

2. All other expenditures made,
 ➔ to advocate expressly the election or defeat of a clearly identified candidate or group of candidates or the passage or defeat of a clearly identified question or group of questions on the ballot, including any payments made to a candidate or any person who is related to the candidate within the second degree of consanguinity or affinity.

Sec. 40. NRS 294A.007 is hereby amended to read as follows:

294A.007 1. "Contribution" means a gift, loan, conveyance, deposit, payment, transfer or distribution of money or of anything of value other than the services of a volunteer, and includes:

(a) The payment by any person, other than a candidate, of compensation for the personal services of another person which are rendered to a:

(1) Candidate;

(2) Person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group;

(3) Committee for political action, political party ~~[]~~ **or** committee sponsored by a political party ~~for business entity~~ which makes an expenditure on behalf of a candidate or group of candidates; or

(4) Person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot,

➔ without charge to the candidate, person, committee or political party.

(b) The value of services provided in kind for which money would have otherwise been paid, such as paid polling and resulting data, paid direct mail, paid solicitation by telephone, any paid paraphernalia that was printed or otherwise produced to promote a campaign and the use of paid personnel to assist in a campaign.

2. As used in this section, “volunteer” means a person who does not receive compensation of any kind, directly or indirectly, for the services provided to a campaign.

Sec. 41. ~~NRS 294A.100 is hereby amended to read as follows:~~

~~294A.100 1. A person shall not make a contribution or contributions to a candidate for any office, except a federal office, in an amount which exceeds \$5,000 for the primary election or primary city election, regardless of the number of candidates for the office, and \$5,000 for the general election or general city election, regardless of the number of candidates for the office, during the period:~~

~~(a) Beginning from 30 days before the regular session of the Legislature immediately following the last election for the office and ending 30 days before the regular session of the Legislature immediately following the next election for the office, if that office is a state, district, county or township office; or~~

~~(b) Beginning from 30 days after the last election for the office and ending 30 days before the next general city election for the office, if that office is a city office.~~

~~2. A candidate shall not accept a contribution made in violation of subsection 1.~~

~~3. A person shall not make a contribution or contributions to a committee for political action in an amount which exceeds \$5,000 for the primary election or primary city election, and \$5,000 for the general election or general city election, if the purpose for which the committee for political action was organized is solely for the support or opposition of a single candidate, except for a candidate for federal office.~~

~~4. A person who willfully violates any provision of this section is guilty of a category E felony and shall be punished as provided in NRS 192.130.]~~
(Deleted by amendment.)

Sec. 41.5. NRS 294A.112 is hereby amended to read as follows:

294A.112 1. A person shall not:

(a) Make a contribution in the name of another person;

(b) Knowingly allow his or her name to be used to cause a contribution to be made in the name of another person or assist in the making of a contribution in the name of another person;

(c) Knowingly assist a person to make a contribution in the name of another person; or

(d) Knowingly accept a contribution made by a person in the name of another person.

2. As used in this section, "make a contribution in the name of another person" includes, without limitation:

(a) Giving money or an item of value, all or part of which was provided or reimbursed to the contributor by another person, without disclosing the source of the money or item of value to the recipient at the time the contribution is made; and

(b) Giving money or an item of value, all or part of which belongs to the person who is giving the money or item of value, and claiming that the money or item of value belongs to another person.

Sec. 42. ~~NRS 294A.120 is hereby amended to read as follows:~~

~~294A.120 1. Every candidate for state, district, county or township office at a primary or general election shall, not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The provisions of this subsection apply to the candidate beginning the year of the general election for that office through the year immediately preceding the next general election for that office.~~

~~2. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, not later than:~~

~~(a) [Seven] **Twenty one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through [12] **25** days before the primary election;~~

~~(b) [Seven] **Four** days before the [general] ~~primary~~ election for that office, for the period from [11] **24** days before the primary election through [12] **5** days before the [general election]; and~~

~~(c) July 15 of the year of] **primary election;**~~

~~(e) **Twenty one days before** the general election for that office, for the period from [11] **4** days before the [general] ~~primary~~ election through [June 30 of that year.] **25 days before the general election; and**~~

~~(d) **Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election;**~~

~~→ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.~~

~~2. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, not later than:~~

~~(a) [Seven] **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through [12] **25** days before the primary election; [and~~

~~(b) Seven]~~

~~(b) **Four** days before the [general] **primary** election for that office, for the period from [11] **24** days before the primary election through [12] **5** days before the [general election,] **primary election;**~~

~~(c) **Twenty one days before the general election for that office, for the period from 4 days before the primary election through 25 days before the general election; and**~~

~~(d) **Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election;**~~

~~→ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.~~

~~4. Except as otherwise provided in subsection 5, every candidate for a district office at a special election shall, not later than:~~

~~(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and~~

~~(b) Thirty days after the special election, for the remaining period through the special election;~~

~~→ report each campaign contribution in excess of \$100 received during the period and contributions received during the reporting period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.~~

~~5. Every candidate for state, district, county, municipal or township office at a special election to determine whether a public officer will be recalled shall list each of the campaign contributions received on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the candidate under penalty of perjury, 30 days after:~~

~~(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or~~

~~(b) A district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.~~

~~6.—Reports of campaign contributions must be filed with the officer with whom the candidate filed the declaration of candidacy or acceptance of candidacy. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer [:~~

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

~~(b) On] on the date that it was received by the officer [if], regardless of whether the report was sent by regular mail or certified mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~7.—Every county clerk who receives from candidates for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, reports of campaign contributions pursuant to this section shall file a copy of each report with the Secretary of State within 10 working days after receiving the report.~~

~~8.—The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the current reporting period.] (Deleted by amendment.)~~

Sec. 43. [NRS 294A.125 is hereby amended to read as follows:

~~294A.125—1.—In addition to complying with the requirements set forth in NRS 294A.120, 294A.200 and 294A.360, a candidate who receives contributions in any year before the year in which the general election or general city election in which the candidate intends to seek election to public office is held shall, for:~~

~~(a) The year in which the candidate receives contributions in excess of \$10,000, list each of the contributions received and the expenditures in excess of \$100 made in that year.~~

~~(b) Each year after the year in which the candidate received contributions in excess of \$10,000, until the year of the general election or general city election in which the candidate intends to seek election to public office is held, list each of the contributions received and the expenditures in excess of \$100 made in that year.~~

~~2.—The reports required by subsection 1 must be submitted on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.~~

~~3.—The name and address of the contributor and the date on which the contribution was received must be included on the list for each contribution in excess of \$100 and contributions that a contributor has made cumulatively in excess of that amount.~~

~~4.—The report must be filed:~~

~~(a) With the officer with whom the candidate will file the declaration of candidacy or acceptance of candidacy for the public office the candidate intends to seek. A candidate may mail or transmit the report to that officer by~~

~~regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer.~~

~~[(1) On the date it was mailed if it was sent by certified mail.~~

~~(2) On] on the date it was received by the officer [if], regardless of whether the report was sent by regular mail or certified mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~(b) On or before January 15 of the year immediately after the year for which the report is made.~~

~~5. A county clerk who receives from a candidate for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, a report of contributions and expenditures pursuant to subsection 4 shall file a copy of the report with the Secretary of State within 10 working days after receiving the report. (Deleted by amendment.)~~

Sec. 44. NRS 294A.140 is hereby amended to read as follows:

294A.140 1. Every person who is not under the direction or control of a candidate for office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party ~~[]~~ and committee sponsored by a political party ~~and business entity~~ which **receives contributions in excess of \$100 or** makes an expenditure on behalf of such a candidate or group of candidates shall, not later than January 15 of each year that the provisions of this subsection apply to the person, committee ~~[]~~ or political party , ~~for business entity,~~ for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The provisions of this subsection apply to the person, committee ~~[]~~ or political party ~~for business entity~~ beginning the year of the general election or general city election for that office through the year immediately preceding the next general election or general city election for that office.

2. Every person, committee ~~[]~~ or political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of the candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~Seven [Twenty-one]~~ days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~12 [25]~~ days before the primary election or primary city election;

(b) Seven ~~Four~~ days before the general ~~primary~~ election or general ~~primary~~ city election for that office, for the period from 11 ~~24~~ days before the primary election or primary city election through 12 ~~5~~ days before the general ~~primary~~ election or general ~~primary~~ city election; and

(c) July 15 of the year of ~~Twenty-one days before~~ the general election or general city election for that office, for the period from 11 ~~4~~ days before the general ~~primary~~ election or general ~~primary~~ city election through June 30 of that year, ~~25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election;~~

↪ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or political party or business entity~~ under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of \$100 since the beginning of the current reporting period.

4. Every person, committee ~~or political party or business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) Seven ~~Twenty-one~~ days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~25~~ days before the primary election or primary city election; and

(b) Seven ~~Four~~ days before the general ~~primary~~ election or general ~~primary~~ city election for that office, for the period from 11 ~~24~~ days before the primary election or primary city election through 12 ~~5~~ days before the general ~~primary~~ election or general ~~primary~~ city election, ~~or~~

~~(c) Twenty-one days before the general election or general city election for that office, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,~~

→ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~[] or political party [] or business entity~~ under penalty of perjury.

5. Except as otherwise provided in subsection 6, every person, committee ~~[] or political party [] or business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election or on behalf of a group of such candidates shall, not later than:

(a) Seven days before the special election for the office for which the candidate or a candidate in the group of candidates seeks election, for the period from the nomination of the candidate through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

→ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~[] or political party [] or business entity~~ under penalty of perjury.

6. Every person, committee ~~[] or political party [] or business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election to determine whether a public officer will be recalled or on behalf of a group of candidates for offices at such special elections shall report each contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the committee ~~[] or political party [] or business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

7. The reports of contributions required pursuant to this section must be filed with:

(a) If the candidate is elected from one county, the county clerk of that county;

(b) If the candidate is elected from one city, the city clerk of that city; or

(c) If the candidate is elected from more than one county or city, the Secretary of State.

8. A person ~~for entity~~, **committee or political party** may file the report with the appropriate officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer :

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

(b) On ~~for~~ the date that it was received by the officer if ~~it, regardless of whether~~ the report was sent by regular ~~mail or certified~~ mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

10. Every person, committee ~~or~~ **political party** ~~for business entity~~ described in subsection 1 shall file a report required by this section even if the person, committee ~~or~~ **political party** ~~for business entity~~ receives no contributions.

Sec. 45. NRS 294A.150 is hereby amended to read as follows:

294A.150 1. Except as otherwise provided in NRS 294A.283, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than January 15 of each year that the provisions of this subsection apply to the person ~~or~~ **group of persons**, ~~for business entity,~~ for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$1,000 received during that period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury. The provisions of this subsection apply to the person ~~or~~ **group of persons** : ~~for business entity.~~

(a) Each year in which:

(1) An election or city election is held for each question for which the person ~~or~~ **group of persons** ~~for business entity~~ advocates passage or defeat; or

(2) A person ~~or~~ **group of persons** ~~for business entity~~ receives or expends money in excess of \$10,000 to advocate the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election; and

(b) The year after each year described in paragraph (a).

2. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~[-, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. If a question is on the ballot at a general election or general city election held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~[-, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~[-]~~ or group of persons ~~[- or business entity]~~ described in this subsection shall, not later than:

(a) ~~Seven~~ ~~[-Twenty-one]~~ days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~[-25]~~ days before the primary election or primary city election;

(b) ~~Seven~~ ~~[-Four]~~ days before the general ~~[-primary]~~ election or general ~~[-primary]~~ city election, for the period from 11 ~~[-24]~~ days before the primary election or primary city election through 12 ~~[-5]~~ days before the general ~~[-primary]~~ election or general ~~[-primary]~~ city election; and

(c) July 15 of the year of ~~[-(c) Twenty-one days before]~~ the general election or general city election, for the period from 11 ~~[-4]~~ days before the general ~~[-primary]~~ election or general ~~[-primary]~~ city election through June 30 of that year, ~~[-25 days before the general election or general city election; and]~~

~~(d) Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election;]~~

↪ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~[- or business entity]~~ under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$1,000 and contributions which a contributor has

made cumulatively in excess of that amount since the beginning of the current reporting period.

4. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. Except as otherwise provided in NRS 294A.283, if a question is on the ballot at a general election or general city election held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~or~~ or group of persons ~~for business entity~~ described in this subsection shall, not later than:

(a) Seven ~~(Twenty one)~~ days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~25~~ days before the primary election or primary city election; and

(b) Seven

~~(b) Four~~ days before the general ~~primary~~ election or general ~~primary~~ city election, for the period from 11 ~~24~~ days before the primary election or primary city election through 12 ~~15~~ days before the general ~~primary~~ election or general ~~primary~~ city election, ~~or~~

~~(c) Twenty one days before the general election or general city election, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election;~~

→ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

5. Except as otherwise provided in subsection 6, every person or group of persons organized formally or informally ~~including a business entity,~~

who advocates the passage or defeat of a question or group of questions on the ballot at a special election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than:

(a) Seven days before the special election, for the period from the date that the question qualified for the ballot through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➤ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

6. Every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election to determine whether a public officer will be recalled and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall report each of the contributions received on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

7. The reports required pursuant to this section must be filed with:

(a) If the question is submitted to the voters of one county, the county clerk of that county;

(b) If the question is submitted to the voters of one city, the city clerk of that city; or

(c) If the question is submitted to the voters of more than one county or city, the Secretary of State.

8. A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer :

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

(b) On ~~for~~ the date that it was received by the officer if ~~it, regardless of whether,~~ the report was sent by regular ~~mail or certified,~~ mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. If the person or group of persons ~~[, including a business entity,]~~ is advocating passage or defeat of a group of questions, the reports must be itemized by question or petition.

10. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

Sec. 46. ~~[NRS 294A.200 is hereby amended to read as follows:~~

~~294A.200 1. Every candidate for state, district, county or township office at a primary or general election shall, not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year, report each of the campaign expenses in excess of \$100 incurred and each amount in excess of \$100 disposed of pursuant to NRS 294A.160 during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the candidate under penalty of perjury. The provisions of this subsection apply to the candidate.~~

~~(a) Beginning the year of the general election for that office through the year immediately preceding the next general election for that office; and~~

~~(b) Each year immediately succeeding a calendar year during which the candidate disposes of contributions pursuant to NRS 294A.160.~~

~~2. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, not later than:~~

~~(a) [Seven] **Twenty one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through [12] **25** days before the primary election;~~

~~(b) [Seven] **Four** days before the [general] **primary** election for that office, for the period from [11] **24** days before the primary election through [12] **5** days before the [general election; and~~

~~(c) July 15 of the year of] **primary election;**~~

~~(e) **Twenty one days before** the general election for that office, for the period from [11] **4** days before the [general] **primary** election through [June 30 of that year,] **25 days before the general election; and**~~

~~(d) **Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election;**~~

~~report each of the campaign expenses in excess of \$100 incurred during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.~~

~~3. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, not later than:~~

(a) ~~[Seven] **Twenty one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through [12] **25** days before the primary election; [and]~~

(b) ~~[Seven] **Four** days before the [general] **primary** election for that office, for the period from [11] **24** days before the primary election through [12] **5** days before the general election [;]~~

~~(c) **Twenty one** days before the general election for that office, for the period from 4 days before the primary election through 25 days before the general election; and~~

~~(d) **Four** days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election;~~

~~report each of the campaign expenses in excess of \$100 incurred during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the candidate under penalty of perjury.~~

~~4. Except as otherwise provided in subsection 5, every candidate for a district office at a special election shall, not later than:~~

~~(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and~~

~~(b) Thirty days after the special election, for the remaining period through the special election;~~

~~report each of the campaign expenses in excess of \$100 incurred during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.~~

~~5. Every candidate for state, district, county, municipal or township office at a special election to determine whether a public officer will be recalled shall report each of the campaign expenses in excess of \$100 incurred on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the candidate under penalty of perjury, 30 days after:~~

~~(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or~~

~~(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.~~

~~6. Reports of campaign expenses must be filed with the officer with whom the candidate filed the declaration of candidacy or acceptance of candidacy. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer [;]~~

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

(b) On ~~on the date that it was received by the officer [if]~~, ~~regardless of whether the report was sent by regular mail or certified mail, transmitted by facsimile machine or electronic means, or delivered personally.~~

~~7. County clerks who receive from candidates for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, reports of campaign expenses pursuant to this section shall file a copy of each report with the Secretary of State within 10 working days after receiving the report.~~ **(Deleted by amendment.)**

Sec. 47. NRS 294A.210 is hereby amended to read as follows:

294A.210 1. Every person who is not under the direction or control of a candidate for an office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party ~~or~~ committee sponsored by a political party ~~for business entity~~ which *receives contributions in excess of \$100 or* makes an expenditure on behalf of such a candidate or group of candidates shall, not later than January 15 of each year that the provisions of this subsection apply to the person, committee ~~or~~ political party, ~~for business entity~~ for the period from January 1 of the previous year through December 31 of the previous year, report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or~~ political party ~~for business entity~~ under penalty of perjury. The provisions of this subsection apply to the person, committee ~~or~~ political party ~~for business entity~~ beginning the year of the general election or general city election for that office through the year immediately preceding the next general election or general city election for that office.

2. Every person, committee ~~or~~ political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) Seven ~~(Twenty-one)~~ days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~(25)~~ days before the primary election or primary city election;

(b) Seven ~~(Four)~~ days before the general ~~(primary)~~ election or general ~~(primary)~~ city election for that office, for the period from 11 ~~(24)~~ days

before the primary election or primary city election through 12 ~~15~~ days before the general ~~primary~~ election or general ~~primary~~ city election; and

(c) July 15 of the year of

~~[(c) Twenty one days before]~~ the general election or general city election for that office, for the period from 11 ~~14~~ days before the general ~~primary~~ election or general ~~primary~~ city election through the June 30 of that year. ~~[25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election;]~~

→ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~[,] or~~ political party ~~for business entity~~ under penalty of perjury.

3. Every person, committee ~~[,] or~~ political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) Seven ~~Twenty one~~ days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~25~~ days before the primary election or primary city election; and

(b) Seven ~~Four~~ days before the general ~~primary~~ election or general ~~primary~~ city election for that office, for the period from 11 ~~24~~ days before the primary election or primary city election through 12 ~~5~~ days before the general ~~primary~~ election or general ~~primary~~ city election. ~~;~~

~~(c) Twenty one days before the general election or general city election for that office, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election;]~~

→ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~[,] or~~ political party ~~for business entity~~ under penalty of perjury.

4. Except as otherwise provided in subsection 5, every person, committee ~~or political party~~ ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election or on behalf of a group of such candidates shall, not later than:

(a) Seven days before the special election for the office for which the candidate or a candidate in the group of candidates seeks election, for the period from the nomination of the candidate through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

→ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or political party~~ ~~for business entity~~ under penalty of perjury.

5. Every person, committee ~~or political party~~ ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election to determine whether a public officer will be recalled or on behalf of a group of such candidates shall list each expenditure made on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the committee ~~or political party~~ ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

7. The reports must be filed with:

(a) If the candidate is elected from one county, the county clerk of that county;

(b) If the candidate is elected from one city, the city clerk of that city; or

(c) If the candidate is elected from more than one county or city, the Secretary of State.

8. If an expenditure is made on behalf of a group of candidates, the reports must be itemized by the candidate. A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile

machine or electronic means. A report shall be deemed to be filed with the officer :

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

(b) On ~~for~~ the date that it was received by the officer if ~~it, regardless of whether~~ the report was sent by regular ~~mail or certified~~ mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

10. Every person, committee ~~or~~ political party ~~for business entity~~ described in subsection 1 shall file a report required by this section even if the person, committee ~~or~~ political party ~~for business entity~~ receives no contributions.

Sec. 48. NRS 294A.220 is hereby amended to read as follows:

294A.220 1. Except as otherwise provided in NRS 294A.283, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than January 15 of each year that the provisions of this subsection apply to the person or group of persons, for the period from January 1 of the previous year through December 31 of the previous year, report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury. The provisions of this subsection apply to the person ~~or~~ group of persons : ~~for business entity.~~

(a) Each year in which:

(1) An election or city election is held for a question for which the person ~~or~~ group of persons ~~for business entity~~ advocates passage or defeat; or

(2) A person ~~or~~ group of persons ~~for business entity~~ receives or expends money in excess of \$10,000 to advocate the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election; and

(b) The year after each year described in paragraph (a).

2. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a

group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. If a question is on the ballot at a general election or general city election held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~[, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~[,]~~ **or** group of persons ~~for business entity]~~ described in this subsection shall, not later than:

(a) Seven ~~[Twenty-one]~~ days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~[25]~~ days before the primary election or primary city election;

(b) Seven ~~[Four]~~ days before the general ~~[primary]~~ election or general ~~[primary]~~ city election, for the period from 11 ~~[24]~~ days before the primary election or primary city election through 12 ~~[5]~~ days before the general ~~[primary]~~ election or general ~~[primary]~~ city election; and

(c) July 15 of the year of ~~[Twenty-one days before]~~ the general election or general city election, for the period from 11 ~~[4]~~ days before the general ~~[primary]~~ election or general ~~[primary]~~ city election through the June 30 immediately preceding that July 15, ~~[25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,]~~

↪ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity]~~ under penalty of perjury.

3. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~[, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. Except as otherwise provided in NRS 294A.283, if a question is on the ballot at a general election or general city election held on

or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~or~~ group of persons ~~for business entity~~ described in this subsection shall, not later than:

(a) Seven ~~Twenty-one~~ days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through 12 ~~25~~ days before the primary election or primary city election; and

(b) Seven ~~Four~~ days before the general ~~primary~~ election or general ~~primary~~ city election, for the period from 11 ~~24~~ days before the primary election or primary city election through 12 ~~5~~ days before the general ~~primary~~ election or general ~~primary~~ city election; ~~and~~

~~(c) Twenty-one days before the general election or general city election, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and~~

~~(d) Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election;~~

↪ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

4. Except as otherwise provided in subsection 5, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election shall, not later than:

(a) Seven days before the special election, for the period from the date the question qualified for the ballot through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

↪ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

5. Every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election to determine whether a public officer will be recalled and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall list each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

7. The reports required pursuant to this section must be filed with:

(a) If the question is submitted to the voters of one county, the county clerk of that county;

(b) If the question is submitted to the voters of one city, the city clerk of that city; or

(c) If the question is submitted to the voters of more than one county or city, the Secretary of State.

8. If an expenditure is made on behalf of a group of questions, the reports must be itemized by question or petition. A person may mail or transmit the report to the appropriate filing officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the filing officer :

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

(b) On ~~for~~ the date that it was received by the filing officer if ~~it~~ regardless of whether the report was sent by regular ~~(mail or certified)~~ mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

Sec. 49. NRS 294A.230 is hereby amended to read as follows:

294A.230 1. Each committee for political action shall, before it engages in any activity in this State, register with the Secretary of State on forms supplied by the Secretary of State.

2. The form must require:

- (a) The name of the committee;
- (b) The purpose for which it was organized;
- (c) The names, addresses and telephone numbers of its officers;
- (d) If the committee for political action is affiliated with any other organizations, the name, address and telephone number of each organization;
- (e) The name, address and telephone number of its registered agent; and
- (f) Any other information deemed necessary by the Secretary of State.

3. A committee for political action shall file with the Secretary of State an amended form for registration within 30 days after any change in the information contained in the form for registration.

4. The Secretary of State shall include on the Secretary of State's Internet website the information required pursuant to subsection 2.

5. *For purposes of the civil penalty that the Secretary of State may impose pursuant to NRS 294A.420 for violating the provisions of subsection 1, if a committee for political action fails to register with the Secretary of State pursuant to subsection 1, each time a committee for political action engages in any activity in this State constitutes a separate violation of subsection 1 for which the Secretary of State may impose a civil penalty.*

Sec. 50. NRS 294A.281 is hereby amended to read as follows:

294A.281 1. Each person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, before engaging in any such advocacy in this State, shall file a statement of organization with the Secretary of State as provided in subsection 2.

2. Each statement of organization must include:

- (a) The name of the person ~~or~~ group of persons ; ~~for business entity;~~
- (b) The purpose for which the person ~~or~~ group of persons ~~for business entity~~ is organized;
- (c) The names and addresses of any officers of the person ~~or~~ group of persons ; ~~for business entity;~~
- (d) If the person ~~or~~ group of persons ~~for business entity~~ is affiliated with or is retained by any other person ~~or~~ group ~~for business entity~~ for the purpose of advocating the passage or defeat of a constitutional amendment or statewide measure proposed by initiative or referendum, the name and address of each such other person ~~or~~ group ; ~~for business entity;~~ and
- (e) The name, address and telephone number of the registered agent of the person ~~or~~ group of persons . ~~for business entity.~~

3. A person ~~or~~ group of persons ~~for business entity~~ which has filed a statement of organization pursuant to this section shall file an amended statement with the Secretary of State within 30 days of any changes to the information required pursuant to subsection 2.

Sec. 51. NRS 294A.282 is hereby amended to read as follows:

294A.282 Each person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum shall appoint and keep within this State a registered agent, as provided in NRS 14.020, who must be a natural person who resides in this State.

Sec. 52. NRS 294A.283 is hereby amended to read as follows:

294A.283 1. Every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, including, without limitation, the initiation or circulation thereof, and who receives or expends money in an amount in excess of \$10,000 for such advocacy shall, not later than the dates listed in subsection 2, report:

(a) Each campaign contribution in excess of \$1,000 received during each period described in subsection 2;

(b) Contributions received during each period described in subsection 2 from a contributor which cumulatively exceed \$1,000;

(c) Each expenditure in excess of \$1,000 the person ~~or~~ **or** group of persons ~~for business entity~~ makes during each period described in subsection 2; and

(d) The total amount of money the person ~~or~~ **or** group of persons ~~for business entity~~ has at the beginning of each period described in subsection 2, accounting for all contributions received and expenditures made during each previous period.

2. Every person ~~or~~ **or** group of persons ~~for business entity~~ required to report pursuant to subsection 1 shall file that report with the Secretary of State:

(a) For the period beginning on the first day a copy of the petition may be filed with the Secretary of State before it is circulated for signatures pursuant to Section 1 or Section 2 of Article 19 of the Nevada Constitution, as applicable, and ending on the following March 31, not later than April 15;

(b) For the period beginning on April 1 and ending on July 31, not later than August 15;

(c) For the period beginning on August 1 and ending on September 30, not later than October 15; and

(d) For the period beginning on October 1 and ending on December 31, not later than the following January 15.

3. The name and address of the contributor and the date on which the contribution was received must be included on each report for each contribution in excess of \$1,000 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the applicable reporting period.

4. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing,

television and radio broadcasting or other production of the media, must be included in each report.

5. Each report required pursuant to this section must:

(a) Be on the form designed and provided by the Secretary of State pursuant to NRS 294A.373; and

(b) Be signed by the person or a representative of the group of persons ~~for business entity~~ under penalty of perjury.

6. A person ~~or~~ group of persons ~~for business entity~~ may mail or transmit each report to the Secretary of State by certified mail, regular mail, facsimile machine or electronic means or may deliver the report personally.

7. A report shall be deemed to be filed with the Secretary of State :

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

(b) On ~~for~~ the date that it was received by the Secretary of State if ~~it~~ regardless of whether the report was sent by regular ~~mail or certified~~ mail, transmitted by facsimile machine or electronic means, or delivered personally.

Sec. 53. NRS 294A.284 is hereby amended to read as follows:

294A.284 1. Each person or group of persons organized formally or informally ~~[including a business entity]~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum that provides compensation to persons to circulate petitions shall report to the Secretary of State:

(a) The number of persons to whom such compensation is provided;

(b) The least amount of such compensation that is provided and the greatest amount of such compensation that is provided; and

(c) The total amount of compensation provided.

2. The Secretary of State shall make public any information received pursuant to this section.

Sec. 54. NRS 294A.286 is hereby amended to read as follows:

294A.286 1. ***Any candidate or public officer may establish a legal defense fund.*** A person who administers a legal defense fund shall:

(a) Within 5 days after the creation of the legal defense fund, notify the Secretary of State of the creation of the fund on a form provided by the Secretary of State; and

(b) For the same period covered by the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360, report any contribution received by or expenditure made from the legal defense fund.

2. The reports required by paragraph (b) of subsection 1 must be submitted on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the administrator of the legal defense fund under penalty of perjury.

3. The reports required by paragraph (b) of subsection 1 must be filed in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360.

4. Notwithstanding the provisions of this section, a candidate or public officer may use campaign contributions to pay for any legal expenses that the candidate or public officer incurs in relation to a campaign or serving in public office without establishing a legal defense fund. Any such candidate or public officer shall report any expenditure of campaign contributions to pay for legal expenses in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360. A candidate or public officer shall not use campaign contributions to satisfy a civil or criminal penalty imposed by law.

Sec. 55. NRS 294A.347 is hereby amended to read as follows:

294A.347 1. A statement which:

(a) Is published within 60 days before a general election, general city election or special election or 30 days before a primary election or primary city election;

(b) Expressly advocates the election or defeat of a clearly identified candidate for a state or local office; and

(c) Is published by a person who receives compensation from the candidate, an opponent of the candidate, or a person, party ~~or~~ committee ~~for business entity~~ required to report expenditures pursuant to NRS 294A.210, ~~for section 38 of this act,~~

➔ must contain a disclosure of the fact that the person receives compensation pursuant to paragraph (c) and the name of the person, party ~~or~~ committee ~~for business entity~~ providing that compensation.

2. A statement which:

(a) Is published by a candidate within 60 days before a general election, general city election or special election or 30 days before a primary election or primary city election; and

(b) Contains the name of the candidate,

➔ shall be deemed to comply with the provisions of this section.

3. As used in this section, "publish" means the act of:

(a) Printing, posting, broadcasting, mailing or otherwise disseminating; or

(b) Causing to be printed, posted, broadcasted, mailed or otherwise disseminated.

Sec. 56. NRS 294A.350 is hereby amended to read as follows:

294A.350 1. Every candidate for state, district, county, municipal or township office shall file the reports of campaign contributions and expenses required by NRS 294A.120, 294A.128, 294A.200 and 294A.360 and reports of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** required by NRS 294A.286, even though the candidate:

(a) Withdraws his or her candidacy;

(b) Receives no campaign contributions;

(c) Has no campaign expenses;

(d) Is removed from the ballot by court order; or

(e) Is the subject of a petition to recall and the special election is not held.

2. A candidate who withdraws his or her candidacy pursuant to NRS 293.202 may file simultaneously all the reports of campaign contributions and expenses required by NRS 294A.120, 294A.128, 294A.200 and 294A.360 and the report of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** required by NRS 294A.286, so long as each report is filed on or before the last day for filing the respective report pursuant to NRS 294A.120, 294A.200 or 294A.360.

Sec. 57. ~~[NRS 294A.360 is hereby amended to read as follows:~~

~~294A.360 1. Every candidate for city office at a primary city election or general city election shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year. The provisions of this subsection apply to the candidate.~~

~~(a) Beginning the year of the general city election for that office through the year immediately preceding the next general city election for that office; and~~

~~(b) Each year immediately succeeding a calendar year during which the candidate disposes of contributions pursuant to NRS 294A.160.~~

~~2. Every candidate for city office at a primary city election or general city election, if the general city election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than:~~

~~(a) [Seven] **Twenty one** days before the primary city election for that office, for the period from the January 1 immediately preceding the primary city election through [12] **25** days before the primary city election;~~

~~(b) [Seven] **Four** days before the [general] **primary** city election for that office, for the period from [11] **24** days before the primary city election through [12] **5** days before the [general] **primary** city election; [and~~

~~(c) July 15 of the year of]~~

~~(e) **Twenty one days before** the general city election for that office, for the period from [11] **4** days before the [general] **primary** city election through [the June 30 of that year.] **25 days before the general city election;** and~~

~~(d) **Four days before the general city election for that office, for the period from 24 days before the general city election through 5 days before the general city election.**~~

~~3. Every candidate for city office at a primary city election or general city election, if the general city election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than:~~

~~(a) [Seven] **Twenty one** days before the primary city election for that office, for the period from the January 1 immediately preceding the primary city election through [12] **25** days before the primary city election; [and]~~

~~(b) [Seven] Four days before the general city election for that office, for the period from [11] 24 days before the primary city election through [12] 5 days before the [general] primary city election [.] ;~~

~~(c) Twenty one days before the general city election for that office, for the period from 4 days before the primary city election through 25 days before the general city election; and~~

~~(d) Four days before the general city election for that office, for the period from 24 days before the general city election through 5 days before the general city election.~~

~~4.—Except as otherwise provided in subsection 5, every candidate for city office at a special election shall so file those reports:~~

~~(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and~~

~~(b) Thirty days after the special election, for the remaining period through the special election.~~

~~5.—Every candidate for city office at a special election to determine whether a public officer will be recalled shall so file those reports 30 days after:~~

~~(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or~~

~~(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.]~~

(Deleted by amendment.)

Sec. 58. NRS 294A.365 is hereby amended to read as follows:

294A.365 1. Each report of expenditures required pursuant to NRS 294A.210, 294A.220, 294A.280 and 294A.283 must consist of a list of each expenditure in excess of \$100 or \$1,000, as is appropriate, that was made during the periods for reporting. Each report of expenses required pursuant to NRS 294A.125 and 294A.200 must consist of a list of each expense in excess of \$100 that was incurred during the periods for reporting. The list in each report must state the category and amount of the expense or expenditure and the date on which the expense was incurred or the expenditure was made.

2. The categories of expense or expenditure for use on the report of expenses or expenditures are:

- (a) Office expenses;
- (b) Expenses related to volunteers;
- (c) Expenses related to travel;
- (d) Expenses related to advertising;
- (e) Expenses related to paid staff;
- (f) Expenses related to consultants;
- (g) Expenses related to polling;
- (h) Expenses related to special events;
- (i) ***Expenses related to a legal defense fund;***

(j) Except as otherwise provided in NRS 294A.362, goods and services provided in kind for which money would otherwise have been paid;

(k) Contributions made to another candidate, a nonprofit corporation that is registered or required to be registered pursuant to NRS 294A.225, a committee for political action that is registered or required to be registered pursuant to NRS 294A.230 or a committee for the recall of a public officer that is registered or required to be registered pursuant to NRS 294A.250;
and

~~(i) (4) (l)~~ (l) Other miscellaneous expenses.

3. Each report of expenses or expenditures described in subsection 1 must list the disposition of any unspent campaign contributions using the categories set forth in subsection 2 of NRS 294A.160.

Sec. 59. NRS 294A.373 is hereby amended to read as follows:

294A.373 1. The Secretary of State shall design a single form to be used for all reports of campaign contributions and expenses or expenditures that are required to be filed pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283, 294A.360 and 294A.362 ~~and section 38 of this act~~ and reports of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** that are required to be filed pursuant to NRS 294A.286.

2. The form designed by the Secretary of State pursuant to this section must only request information specifically required by statute.

3. Upon request, the Secretary of State shall provide a copy of the form designed pursuant to this section to each person, committee, political party ~~or~~ **and** group ~~and business entity~~ that is required to file a report described in subsection 1.

4. The Secretary of State must obtain the advice and consent of the Legislative Commission before providing a copy of a form designed or revised by the Secretary of State pursuant to this section to a person, committee, political party ~~or~~ **or** group ~~for business entity~~ that is required to use the form.

Sec. 60. NRS 294A.382 is hereby amended to read as follows:

294A.382 The Secretary of State shall not request or require a candidate, person, group of persons, committee ~~or~~ **or** political party ~~for business entity~~ to list each of the expenditures or campaign expenses of \$100 or less on a form designed and provided pursuant to NRS 294A.373.

Sec. 61. NRS 294A.390 is hereby amended to read as follows:

294A.390 The officer from whom a candidate or entity requests a form for:

1. A declaration of candidacy;
2. An acceptance of candidacy;
3. The registration of a committee for political action pursuant to NRS 294A.230 ~~or~~ **or** a committee for the recall of a public officer pursuant to

NRS 294A.250 ; ~~for a business entity that wishes to engage in certain political activity pursuant to NRS 294A.377;~~

4. The reporting of the creation of a legal defense fund pursuant to NRS 294A.286; or

5. The reporting of campaign contributions, expenses or expenditures pursuant to NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 or 294A.360 ~~for section 38 of this act~~ and the reporting of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** pursuant to NRS 294A.286,

↪ shall furnish the candidate with the necessary forms for reporting and copies of the regulations adopted by the Secretary of State pursuant to this chapter. An explanation of the applicable provisions of NRS 294A.100, 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 or 294A.360 **or section 37 ~~for 38~~ of this act** relating to the making, accepting or reporting of campaign contributions, expenses or expenditures and the penalties for a violation of those provisions as set forth in NRS 294A.100 or 294A.420, and an explanation of NRS 294A.286 and 294A.287 relating to the accepting or reporting of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** and the penalties for a violation of those provisions as set forth in NRS 294A.287 and 294A.420, must be developed by the Secretary of State and provided upon request. The candidate or entity shall acknowledge receipt of the material.

Sec. 62. NRS 294A.400 is hereby amended to read as follows:

294A.400 The Secretary of State shall, within 30 days after receipt of the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 and 294A.286, ~~and ~~sections~~ section 37 ~~and 38~~ of this act~~, prepare and make available for public inspection a compilation of:

1. The total campaign contributions, the contributions which are in excess of \$100 and the total campaign expenses of each of the candidates from whom reports of those contributions and expenses are required.

2. The total amount of loans to a candidate guaranteed by a third party, the total amount of loans made to a candidate that have been forgiven and the total amount of written commitments for contributions received by a candidate.

3. The contributions made to a committee for the recall of a public officer in excess of \$100.

4. The expenditures exceeding \$100 made by a:

(a) Person on behalf of a candidate other than the person.

(b) Group of persons ~~for business entity~~ advocating the election or defeat of a candidate.

(c) Committee for the recall of a public officer.

5. The contributions in excess of \$100 made to:

(a) A person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group.

(b) A committee for political action, political party ~~or~~ committee sponsored by a political party ~~for business entity~~ which makes an expenditure on behalf of a candidate or group of candidates.

6. The contributions in excess of \$1,000 made to and the expenditures exceeding \$1,000 made by a:

(a) Person or group of persons organized formally or informally ~~including a business entity~~ who advocates the passage or defeat of a question or group of questions on the ballot and who receives or expends money in an amount in excess of \$10,000 for such advocacy, except as otherwise provided in paragraph (b).

(b) Person or group of persons organized formally or informally ~~including a business entity~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, including, without limitation, the initiation or circulation thereof, and who receives or expends money in an amount in excess of \$10,000 for such advocacy.

7. ~~The expenditures exceeding \$5,000 made by:~~

~~(a) A person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group.~~

~~(b) A committee for political action, political party or committee sponsored by a political party which makes an expenditure on behalf of a candidate or group of candidates.~~

~~8.~~ The total contributions received by and expenditures made from a legal defense fund ~~or~~ **used to pay legal expenses.**

Sec. 63. NRS 294A.420 is hereby amended to read as follows:

294A.420 1. If the Secretary of State receives information that a person or entity that is subject to the provisions of NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, ~~294A.227,~~ 294A.230, 294A.270, 294A.280, 294A.283, 294A.286 or 294A.360 **or section 37 ~~for 39~~ of this act** has not filed a report or form for registration pursuant to the applicable provisions of those sections, the Secretary of State may, after giving notice to that person or entity, cause the appropriate proceedings to be instituted in the First Judicial District Court.

2. Except as otherwise provided in this section, a person or entity that violates an applicable provision of ~~NRS 294A.112, 294A.120, 294A.128, 294A.130, 294A.140, 294A.150, 294A.160, 294A.200, 294A.210, 294A.220, 294A.227, 294A.230, 294A.270, 294A.280, 294A.283, 294A.286, 294A.300, 294A.310 or 294A.360~~ **this chapter** is subject to a civil penalty of not more than \$5,000 for each violation and payment of court costs and attorney's fees.

The civil penalty must be recovered in a civil action brought in the name of the State of Nevada by the Secretary of State in the First Judicial District Court and deposited by the Secretary of State for credit to the State General Fund in the bank designated by the State Treasurer.

3. If a civil penalty is imposed because a person or entity has reported its contributions, expenses or expenditures after the date the report is due, except as otherwise provided in this subsection, the amount of the civil penalty is:

(a) If the report is not more than 7 days late, \$25 for each day the report is late.

(b) If the report is more than 7 days late but not more than 15 days late, \$50 for each day the report is late.

(c) If the report is more than 15 days late, \$100 for each day the report is late.

↪ A civil penalty imposed pursuant to this subsection against a public officer who by law is not entitled to receive compensation for his or her office or a candidate for such an office must not exceed a total of \$100 if the public officer or candidate received no contributions and made no expenditures during the relevant reporting periods.

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

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

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

Sec. 64. NRS 295.012 is hereby amended to read as follows:

295.012 A petition for initiative **or referendum** that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution~~ **constitutional amendment or statewide measure** must be proposed by a number of registered voters from each petition district in the State that is at least equal to 10 percent of the voters who voted in that petition district at the last preceding general election.

Sec. 65. NRS 295.0575 is hereby amended to read as follows:

295.0575 A petition for a constitutional amendment or a petition for a statewide measure proposed by an initiative or referendum may consist of more than one document. Each document of a petition must have attached to it when submitted an affidavit executed by the circulator thereof stating:

1. That the circulator personally circulated the document;
2. The number of signatures thereon;
3. That all the signatures were affixed in the circulator's presence; ~~and~~
4. That each signer had an opportunity before signing to read the full text of the act or resolution on which the initiative or referendum is demanded ~~and~~ ;

5. *The address and contact information of the circulator; and*

6. *That the circulator is 18 years of age or older.*

Sec. 65.5. NRS 281A.600 is hereby amended to read as follows:

281A.600 1. Except as otherwise provided in subsection 2, if a public officer who was appointed to the office for which the public officer is serving is entitled to receive annual compensation of \$6,000 or more for serving in that office ~~to~~ **or if the public officer was appointed to the office of Legislator,** the public officer shall file with the Commission a statement of financial disclosure, as follows:

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

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

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

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

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

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

3. A judicial officer who is appointed to fill the unexpired term of a predecessor or to fill a newly created judgeship shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281A.620.

4. The Commission shall provide written notification to the Secretary of State of the public officers who failed to file the statements of financial disclosure required by subsection 1 or who failed to file those statements in a timely manner. The notice must be sent within 30 days after the deadlines set forth in subsection 1 and must include:

(a) The name of each public officer who failed to file a statement of financial disclosure within the period before the notice is sent;

(b) The name of each public officer who filed a statement of financial disclosure after the deadlines set forth in subsection 1 but within the period before the notice is sent;

(c) For the first notice sent after the public officer filed a statement of financial disclosure, the name of each public officer who filed a statement of

financial disclosure after the deadlines set forth in subsection 1 but within the period before the notice is sent; and

(d) For each public officer listed in paragraph (c), the date on which the statement of financial disclosure was due and the date on which the public officer filed the statement.

5. In addition to the notice provided pursuant to subsection 4, the Commission shall notify the Secretary of State of each public officer who files a statement of financial disclosure more than 30 days after the deadlines set forth in subsection 1. The notice must include the information described in paragraphs (c) and (d) of subsection 4.

6. A statement of financial disclosure shall be deemed to be filed with the Commission:

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

(b) On the date that it was received by the Commission if the statement was sent by regular mail, transmitted by facsimile machine or electronic means, or delivered personally.

Sec. 66. NRS 281A.610 is hereby amended to read as follows:

281A.610 1. Except as otherwise provided in subsection 2, each candidate for public office who will be entitled to receive annual compensation of \$6,000 or more for serving in the office that the candidate is seeking, each candidate for the office of Legislator and, except as otherwise provided in subsection 3, each public officer who was elected to the office for which the public officer is serving shall file with the Secretary of State a statement of financial disclosure, as follows:

(a) A candidate for nomination, election or reelection to public office shall file a statement of financial disclosure no later than the 10th day after the last day to qualify as a candidate for the office. The statement must disclose the required information for the full calendar year immediately preceding the date of filing and for the period between January 1 of the year in which the election for the office will be held and the last day to qualify as a candidate for the office. The filing of a statement of financial disclosure for a portion of a calendar year pursuant to this paragraph does not relieve the candidate of the requirement of filing a statement of financial disclosure for the full calendar year pursuant to paragraph (b) in the immediately succeeding year, if the candidate is elected to the office.

(b) Each public officer shall file a statement of financial disclosure ~~for~~

~~(1) If the public officer is a Legislator, on or before January 15 of each year of the term, including the year the term expires, and of the year immediately following the year in which the Legislator's term expires.~~

~~(2) If the public officer is not a Legislator, on or before January 15 of each year.~~

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

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

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

2. Except as otherwise provided in this subsection, if a candidate for public office is serving in a public office for which the candidate is required to file a statement pursuant to paragraph (b) of subsection 1 or subsection 1 of NRS 281A.600, the candidate need not file the statement required by subsection 1 for the full calendar year for which the candidate previously filed a statement. The provisions of this subsection do not relieve the candidate of the requirement pursuant to paragraph (a) of subsection 1 to file a statement of financial disclosure for the period between January 1 of the year in which the election for the office will be held and the last day to qualify as a candidate for the office.

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

4. A candidate for judicial office or a judicial officer shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281A.620.

5. A statement of financial disclosure shall be deemed to be filed with the Secretary of State :

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

(b) On ~~for~~ the date that it was received by the Secretary of State if ~~it~~ ~~regardless of whether~~ the statement was sent by regular ~~mail or certified~~ mail, transmitted by facsimile machine or electronic means, or delivered personally.

6. The statement of financial disclosure filed pursuant to this section must be filed on the form prescribed by the Commission pursuant to NRS 281A.290.

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

Sec. 67. Section 5.015 of the Charter of the City of Carlin, being chapter 344, Statutes of Nevada 1971, as added by chapter 493, Statutes of Nevada 2009, at page 2937, is hereby amended to read as follows:

Sec. 5.015 Filing of declarations of candidacy.

1. A candidate to be voted for at the general election must file a declaration of candidacy with the City Clerk ~~not less than 5 days or more than 15 days before the day of the primary election held pursuant to the provisions of NRS 293.175.~~ **as provided by the election laws of this State.**

The City Clerk shall charge and collect from the candidate and the candidate must pay to the City Clerk, at the time of filing the declaration of candidacy, a filing fee in an amount fixed by the City Council by ordinance or resolution.

2. If, due to the death or ineligibility of or withdrawal by a candidate, a vacancy occurs in a nomination after the close of filing and any applicable period for withdrawal of candidacy, the candidate's name must remain on the ballot for the general election and, if elected, a vacancy exists.

Sec. 68. Section 5.015 of the Charter of the City of Wells, being chapter 275, Statutes of Nevada 1971, as added by chapter 493, Statutes of Nevada 2009, at page 2938, is hereby amended to read as follows:

Sec. 5.015 Filing of declarations of candidacy.

1. A candidate to be voted for at the general election must file a declaration of candidacy with the City Clerk ~~not less than 5 days or more than 15 days before the day of the primary election held pursuant to the provisions of NRS 293.175.~~ **as provided by the election laws of this State.** The City Clerk shall charge and collect from the candidate and the candidate must pay to the City Clerk, at the time of filing the declaration of candidacy, a filing fee in an amount fixed by the City Council by ordinance or resolution.

2. If, due to the death or ineligibility of or withdrawal by a candidate, a vacancy occurs in a nomination after the close of filing and any applicable period for withdrawal of candidacy, the candidate's name must remain on the ballot for the general election and, if elected, a vacancy exists.

Sec. 69. NRS 294A.003 and 294A.227 are hereby repealed.

TEXT OF REPEALED SECTIONS

294A.003 "Business entity" defined. "Business entity" means any corporation, company or other form of business organization. The term does not include a business entity for which:

1. The owners, investors, officers, directors, members or other organizers of the entity are disclosed in any public record; or

2. The business purpose of the entity is disclosed in a public record that clearly identifies a specific business in a manner that is verifiable.

294A.227 Registration; publication of information relating to registration.

1. A business entity shall register with the Secretary of State by submitting the completed form described in subsection 2 before it engages in any of the following activities in this State:

(a) Soliciting or receiving contributions from any other person, group or entity;

(b) Making contributions to candidates or other persons; or

(c) Making expenditures,

↪ designed to affect the outcome of any primary election, primary city election, general election, general city election, special election or question on the ballot.

2. The form must require:

- (a) The name of the business entity;
- (b) The purpose for which it was organized;
- (c) The names and addresses of each owner, investor, officer, director, member or other organizer of the entity;
- (d) If the business entity is affiliated with any other organization, the name, address and telephone number of each such organization;
- (e) The name, address and telephone number of its registered agent, if any;
- (f) A designation of the activities listed in subsection 1 in which it intends to engage; and
- (g) Any other information deemed necessary by the Secretary of State.

3. The Secretary of State shall, in a timely manner, include on the portion of the Secretary of State's Internet website that is devoted to information concerning elections and campaigns the information required pursuant to subsection 2.

Assemblywoman Flores moved the adoption of the amendment.

Amendment adopted.

The following amendment was proposed by Assemblymen Ocegüera and Conklin:

Amendment No. 545.

AN ACT relating to elections; revising provisions relating to declarations of candidacy or acceptance of candidacy; clarifying when a minor political party may be recognized; revising certain requirements for petitions of referendum; increasing fees for filing for candidacy; revising provisions concerning ballots; revising provisions relating to counting ballots, posting voting results and recounts; requiring employers to allow employees to be absent to participate in the nomination process for President of the United States; providing that the residency of spouses of certain military personnel is not changed whether absent or present in this State; making various changes concerning campaign contributions and expenditures; making various other changes to provisions governing elections; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a person to file a declaration of candidacy or acceptance of candidacy in order to have the person's name appear on a ballot. (NRS 293.177, 293C.185) **Sections 4 and 31** of this bill prohibit a person from filing a declaration or acceptance of candidacy if the person has an outstanding civil penalty or fine related to a violation of a provision of election law.

In order to qualify to place the names of candidates on the ballot, under existing law, a minor political party must have filed with the Secretary of

State a certificate of existence and a list of candidates. Also, the minor political party must have: (1) at the last preceding general election, polled for any of its candidates for partisan office a number of votes equal to or more than 1 percent of the total number of votes cast for the offices of Representative in Congress; (2) been designated as the political party on the applications to register to vote of at least 1 percent of the total number of registered voters in this State; or (3) filed a petition with the Secretary of State which is signed by a number of registered voters equal to at least 1 percent of the total number of votes cast at the last preceding election for the offices of Representative of Congress. Alternatively, the minor political party may place the name of a candidate on the ballot if the minor political party has filed with the Secretary of State a certificate of existence and a petition on behalf of the candidate that it wants to place on the ballot containing a certain number of signatures. (NRS 293.1715) **Sections 6 and 15-18** of this bill clarify that an organization is recognized as a minor political party when it files a certificate of existence. A minor political party must still meet the other requirements in order to qualify to place candidates on the ballot.

Sections 7-12 and 64 of this bill provide that the signature and verification requirements for initiative petitions also apply to petitions for referendum.

Existing law provides the requirements for nominating candidates for office and placing candidates on the ballot for the general election. (NRS 293.165, 293.166, 293.368) **Sections 13, 14 and 25** of this bill move the date after which no change may be made on the ballot for the general election from the first Tuesday after the primary election to the fourth Friday in June of the year in which the general election is held.

Existing law provides that if a person willfully files a declaration or acceptance of candidacy that contains a false statement, the name of the person must not appear on the ballot for the election for which the person filed the declaration or acceptance of candidacy. (NRS 293.184, 293C.1865) **Sections 19 and 32** of this bill further require that if the name of such a person appears on the ballot because the deadline for making changes to the ballot has passed, the Secretary of State, county clerk or city clerk must inform voters by posting signs at polling places that the person is disqualified from entering upon the duties of office.

Section 20 of this bill increases the fees for filing for candidacy for federal, state, county, city and township office. **Section 20** exempts a person who does not have the ability to pay the fees in certain circumstances.

Section 21 of this bill allows a person to cast a primary ballot for a major political party only if the person is a member of that major political party.

Section 22 of this bill revises the order in which candidates for justice of the Supreme Court will appear on a ballot so that they appear with other constitutional officers.

Existing law sets forth procedures for depositing absent ballots in the ballot box, including verifying the absent voter's signature that appears on the back of the return envelope or facsimile. (NRS 293.333, 293C.332)

Because certain military personnel and overseas citizens may return special absent ballots via approved electronic transmission other than facsimile, **sections 23 and 33** of this bill authorize the verification of the signature of these voters by comparing the signature from the special absent ballot or the oath of the voter that must be included in the special absent ballot with that on the original application to register to vote.

Existing law sets forth the period for early voting by personal appearance at a primary or general election, which excludes Sundays and state and federal holidays. (NRS 293.3568, 293C.3568) **Sections 24 and 34** of this bill provide that state holidays are not excluded from that period.

Section 26 of this bill prohibits a county clerk from posting voting results for a statewide or multicounty race or ballot question until the Secretary of State notifies the county clerk that all polling places are closed and all votes have been cast.

Section 27 of this bill authorizes a person who demands an election recount in a county or city using a mechanical voting system to demand the recount of only absent ballots cast by mail.

Existing law requires an employer to allow an employee to be absent from his or her place of employment for the purpose of voting in an election. (NRS 293.463) **Section 28** of this bill requires employers to also allow employees to be absent from their places of employment to participate in the nomination process for candidates for President of the United States at a caucus of a political party.

Existing law provides that a person does not gain or lose residence in the State by reason of his or her presence or absence while being employed in the military, naval or civil service of the United States or the State of Nevada or while engaged in the navigation of the waters of the United States or of the high seas. (NRS 293.487) **Section 30** of this bill provides that the spouse of such a person also does not gain or lose residence in the State.

Section 37 of this bill requires certain persons, committees for political action, political parties and committees of political parties that make an expenditure of more than \$100 for the purpose of financing certain public communications to disclose on the communication the name of the person, committee or political party that paid for the communication.

Section 38 of this bill requires that certain independent expenditures on behalf of a candidate or group of candidates of more than \$5,000 be reported to the Secretary of State.

Existing law limits the amount that may be contributed to a candidate for office to \$5,000 for the primary election and \$5,000 for the general election. (NRS 294A.100) **Section 41** of this bill limits the amount that may be contributed to a committee for political action that is organized solely for the support or opposition of a single candidate to \$5,000 for the primary election and \$5,000 for the general election.

Section 41.5 of this bill prohibits a person from making a contribution to a committee for political action with the knowledge and intent that the

committee for political action will contribute that money to a specific candidate which, in combination with the total contributions already made by the person for the same election, would violate the limitations on contributions in existing law.

Sections 42, 44-48 and 57 of this bill amend the dates for filing reports relating to campaign contribution and expenditures and add an additional report that must be filed by candidates, groups and various parties and committees.

Section 49 of this bill provides that if a committee for political action fails to register with the Secretary of State before engaging in any activity within the State, the Secretary of State may impose on the committee a civil penalty for each time the committee engages in activity without being registered.

Sections 40, 44, 45, 47, 48, 50-53, 55, 59-62 and 69 of this bill repeal the term “business entity” and remove the term from provisions governing registration and campaign contribution and expenditure reporting. These entities, however, are not exempt from the provisions because they are business organizations included within the term “person” as defined in existing law. (NRS 294A.009)

Section 54 of this bill authorizes a candidate or public officer to use campaign contributions to pay for legal expenses that the candidate or public officer incurred in relation to a campaign or while serving in public office. Any such candidate or public officer is not required to establish a legal defense fund in order to use campaign contributions to pay for legal expenses, but sections 29, 54, 56, 58, 59, 61 and 62 of this bill require the candidate or public officer to report the expenditure of such money on his or her campaign expenditure reports.

Section 65 of this bill requires the affidavit executed by a circulator of a petition for initiative or referendum to include the contact information of the circulator and a statement that the circulator is at least 18 years of age.

Section 66 of this bill requires a Legislator to file a statement of financial disclosure on January 15th of the year immediately following the year in which the Legislator’s term expires.

Sections 67 and 68 of this bill require that candidates for city office in the cities of Carlin and Wells file declarations of candidacy at the same time as candidates for statewide office.

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

Section 1. Chapter 293 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.

Sec. 2. *“Central counting place” means the location designated by the county or city clerk for the compilation of election returns.*

Sec. 3. *“Undervote” means a ballot that has been cast by a voter but shows no legally valid selection for any candidate for a particular office or for a ballot question.*

Sec. 4. 1. *Except as otherwise provided in this section, a person may not submit and the county clerk shall not accept a declaration of candidacy or acceptance of candidacy if a civil penalty has been issued or a fine imposed against the person for a violation of any provision of this title and the civil penalty or fine remains unpaid.*

2. *Notwithstanding the provisions of subsection 1, a person described in subsection 1 may submit and the county clerk shall accept the declaration of candidacy or acceptance of candidacy if the unpaid civil penalty or fine is under appeal and the person posts a bond with the Secretary of State for the same amount as the unpaid civil penalty or fine.*

3. *Not later than 15 days before the first day for filing a declaration of candidacy or acceptance of candidacy set forth in NRS 293.177, the Secretary of State shall notify each county clerk of, and post on the Secretary of State's Internet website, the name of any person who is prohibited from filing a declaration of candidacy or acceptance of candidacy pursuant to this section.*

Sec. 5. NRS 293.010 is hereby amended to read as follows:

293.010 As used in this title, unless the context otherwise requires, the words and terms defined in NRS 293.013 to 293.121, inclusive, **and sections 2 and 3 of this act** have the meanings ascribed to them in those sections.

Sec. 6. NRS 293.066 is hereby amended to read as follows:

293.066 "Minor political party" means any organization which ~~qualifies~~ **is recognized** as such pursuant to NRS 293.171.

Sec. 7. NRS 293.127561 is hereby amended to read as follows:

293.127561 1. The Legislature shall establish petition districts from which signatures for a petition for initiative **or referendum** that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution of this State~~ **constitutional amendment or statewide measure** must be gathered. The petition districts must be established in a manner that is fair to all residents of the State, represent approximately equal populations and ensure that each signature is afforded the same weight.

2. Petition districts must be:

(a) Based on the population databases compiled by the Bureau of the Census of the United States Department of Commerce as validated and incorporated into the geographic information system by the Legislative Counsel Bureau for use by the Nevada Legislature.

(b) Designated in the maps filed with the Office of the Secretary of State pursuant to NRS 293.127562.

Sec. 8. NRS 293.127563 is hereby amended to read as follows:

293.127563 1. As soon as practicable after each general election, the Secretary of State shall determine the number of signatures required to be gathered from each petition district within the State for a petition for initiative **or referendum** that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution of this State~~ **constitutional amendment or statewide measure**.

2. To determine the number of signatures required to be gathered from a petition district, the Secretary of State shall calculate the amount that equals 10 percent of the voters who voted in that petition district at the last preceding general election.

Sec. 9. NRS 293.1276 is hereby amended to read as follows:

293.1276 1. Within 4 days, excluding Saturdays, Sundays and holidays, after the submission of a petition containing signatures which are required to be verified pursuant to NRS 293.128, 293.165, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110, the county clerk shall determine the total number of signatures affixed to the documents and, in the case of a petition for **initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, shall tally the number of signatures for each petition district contained fully or partially within the county and forward that information to the Secretary of State.

2. If the Secretary of State finds that the total number of signatures filed with all the county clerks is less than 100 percent of the required number of registered voters, the Secretary of State shall so notify the person who submitted the petition and the county clerks and no further action may be taken in regard to the petition. If the petition is a petition to recall a county, district or municipal officer, the Secretary of State shall also notify the officer with whom the petition is to be filed.

3. After the petition is submitted to the county clerk, it must not be handled by any other person except by an employee of the county clerk's office until it is filed with the Secretary of State.

Sec. 10. NRS 293.1277 is hereby amended to read as follows:

293.1277 1. If the Secretary of State finds that the total number of signatures submitted to all the county clerks is 100 percent or more of the number of registered voters needed to declare the petition sufficient, the Secretary of State shall immediately so notify the county clerks. Within 9 days, excluding Saturdays, Sundays and holidays, after notification, each of the county clerks shall determine the number of registered voters who have signed the documents submitted in the county clerk's county and, in the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, shall tally the number of signatures for each petition district contained or fully contained within the county clerk's county.

2. If more than 500 names have been signed on the documents submitted to a county clerk, the county clerk shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerk is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures, whichever is greater.

3. In determining from the records of registration the number of registered voters who signed the documents, the county clerk may use the signatures contained in the file of applications to register to vote. If the county clerk uses that file, the county clerk shall ensure that every application in the file is examined, including any application in his or her possession which may not yet be entered into the county clerk's records. The county clerk shall rely only on the appearance of the signature and the address and date included with each signature in making his or her determination.

4. In the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, when the county clerk is determining the number of registered voters who signed the documents from each petition district contained fully or partially within the county clerk's county, he or she must use the statewide voter registration list available pursuant to NRS 293.675.

5. Except as otherwise provided in subsection 7, upon completing the examination, the county clerk shall immediately attach to the documents a certificate properly dated, showing the result of the examination, including the tally of signatures by petition district, if required, and transmit the documents with the certificate to the Secretary of State. ~~## In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, if~~ a petition district comprises more than one county, ~~and the petition proposes a statute, an amendment to a statute or an amendment to the Constitution,~~ the appropriate county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the certificate. A copy of this certificate must be filed in the clerk's office. When the county clerk transmits the certificate to the Secretary of State, the county clerk shall notify the Secretary of State of the number of requests to remove a name received by the county clerk pursuant to NRS 295.055 or 306.015.

6. A person who submits a petition to the county clerk which is required to be verified pursuant to NRS 293.128, 293.165, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110 must be allowed to witness the verification of the signatures. A public officer who is the subject of a recall petition must also be allowed to witness the verification of the signatures on the petition.

7. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.165, 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not transmit to the Secretary of State the documents containing the signatures of the registered voters.

8. The Secretary of State shall by regulation establish further procedures for carrying out the provisions of this section.

Sec. 11. NRS 293.1278 is hereby amended to read as follows:

293.1278 1. If the certificates received by the Secretary of State from all the county clerks establish that the number of valid signatures is less than 90 percent of the required number of registered voters, the petition shall be deemed to have failed to qualify, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

2. If those certificates establish that the number of valid signatures is equal to or more than the sum of 100 percent of the number of registered voters needed to make the petition sufficient plus the total number of requests to remove a name received by the county clerks pursuant to NRS 295.055 or 306.015 and, in the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, that the petition has the minimum number of signatures required for each petition district, the petition shall be deemed to qualify as of the date of receipt by the Secretary of State of those certificates, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

3. If the certificates establish that the petitioners have 100 percent or more of the number of registered voters needed to make the petition sufficient but the petition fails to qualify pursuant to subsection 2, each county clerk who received a request to remove a name pursuant to NRS 295.055 or 306.015 shall remove each name as requested, amend the certificate and transmit the amended certificate to the Secretary of State. If the amended certificates establish that the petitioners have 100 percent or more of the number of registered voters needed to make the petition sufficient and, in the case of a petition **for initiative or referendum** proposing a ~~statute, an amendment to a statute or an amendment to the Constitution,~~ **constitutional amendment or statewide measure**, that the petition has the minimum number of signatures required for each petition district, the petition shall be deemed to qualify as of the date of receipt by the Secretary of State of the amended certificates, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

Sec. 12. NRS 293.1279 is hereby amended to read as follows:

293.1279 1. If the statistical sampling shows that the number of valid signatures filed is 90 percent or more, but less than the sum of 100 percent of the number of signatures of registered voters needed to declare the petition sufficient plus the total number of requests to remove a name received by the county clerks pursuant to NRS 295.055 or 306.015, the Secretary of State shall order the county clerks to examine the signatures for verification. The county clerks shall examine the signatures for verification until they determine that 100 percent of the number of signatures of registered voters needed to declare the petition sufficient are valid. If the county clerks received a request to remove a name pursuant to NRS 295.055 or 306.015, the county clerks may not determine that 100 percent of the number of signatures of registered voters needed to declare the petition sufficient are

valid until they have removed each name as requested pursuant to NRS 295.055 or 306.015.

2. Except as otherwise provided in this subsection, if the statistical sampling shows that the number of valid signatures filed in any county is 90 percent or more but less than the sum of 100 percent of the number of signatures of registered voters needed to constitute 10 percent of the number of voters who voted at the last preceding general election in that county plus the total number of requests to remove a name received by the county clerk in that county pursuant to NRS 295.055 or 306.015, the Secretary of State may order the county clerk in that county to examine every signature for verification. If the county clerk received a request to remove a name pursuant to NRS 295.055 or 306.015, the county clerk may not determine that 100 percent or more of the number of signatures of registered voters needed to constitute 10 percent of the number of voters who voted at the last preceding general election in that county are valid until the county clerk has removed each name as requested pursuant to NRS 295.055 or 306.015. In the case of a petition for initiative *or referendum* that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution of this State,~~ **constitutional amendment or statewide measure**, if the statistical sampling shows that the number of valid signatures in any petition district is 90 percent or more but less than the sum of 100 percent of the number of signatures of registered voters required for that petition district pursuant to NRS 295.012 plus the total number of requests to remove a name received by the county clerk or county clerks, if the petition district comprises more than one county, pursuant to NRS 295.055, the Secretary of State may order a county clerk to examine every signature for verification.

3. Within 12 days, excluding Saturdays, Sundays and holidays, after receipt of such an order, the county clerk or county clerks shall determine from the records of registration what number of registered voters have signed the petition and, if appropriate, tally those signatures by petition district. If necessary, the board of county commissioners shall allow the county clerk additional assistants for examining the signatures and provide for their compensation. In determining from the records of registration what number of registered voters have signed the petition and in determining in which petition district the voters reside, the county clerk must use the statewide voter registration list. The county clerk may rely on the appearance of the signature and the address and date included with each signature in determining the number of registered voters that signed the petition.

4. Except as otherwise provided in subsection 5, upon completing the examination, the county clerk or county clerks shall immediately attach to the documents of the petition an amended certificate, properly dated, showing the result of the examination and shall immediately forward the documents with the amended certificate to the Secretary of State. A copy of the amended certificate must be filed in the county clerk's office. In the case of a petition *for initiative or referendum* to propose a ~~statute, an amendment to a statute~~

~~or an amendment to the Constitution,]~~ **constitutional amendment or statewide measure**, if a petition district comprises more than one county, the county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the amended certificate.

5. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.165, 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not forward to the Secretary of State the documents containing the signatures of the registered voters.

6. Except for a petition to recall a county, district or municipal officer, the petition shall be deemed filed with the Secretary of State as of the date on which the Secretary of State receives certificates from the county clerks showing the petition to be signed by the requisite number of voters of the State.

7. If the amended certificates received from all county clerks by the Secretary of State establish that the petition is still insufficient, the Secretary of State shall immediately so notify the petitioners and the county clerks. If the petition is a petition to recall a county, district or municipal officer, the Secretary of State shall also notify the officer with whom the petition is to be filed.

8. The Secretary of State shall adopt regulations to carry out the provisions of this section.

Sec. 13. NRS 293.165 is hereby amended to read as follows:

293.165 1. Except as otherwise provided in NRS 293.166, a vacancy occurring in a major or minor political party nomination for a partisan office may be filled by a candidate designated by the party central committee of the county or State, as the case may be, of the major political party or by the executive committee of the minor political party subject to the provisions of subsections 4 and 5.

2. A vacancy occurring in a nonpartisan nomination after the close of filing and on or before 5 p.m. of the second Tuesday in April must be filled by filing a nominating petition that is signed by registered voters of the State, county, district or municipality who may vote for the office in question. The number of registered voters who sign the petition must not be less than 1 percent of the number of persons who voted for the office in question in the State, county, district or municipality at the last preceding general election. The petition must be filed not earlier than the first Tuesday in March and not later than the fourth Tuesday in April. The petition may consist of more than one document. Each document must bear the name of one county and must be signed only by a person who is a registered voter of that county and who may vote for the office in question. Each document of the petition must be submitted for verification pursuant to NRS 293.1276 to 293.1279, inclusive, to the county clerk of the county named on the document. A candidate nominated pursuant to the provisions of this subsection:

(a) Must file a declaration of candidacy or acceptance of candidacy and pay the statutory filing fee on or before the date the petition is filed; and

(b) May be elected only at a general election, and the candidate's name must not appear on the ballot for a primary election.

3. A vacancy occurring in a nonpartisan nomination after 5 p.m. of the second Tuesday in April and on or before 5 p.m. on the ~~first Tuesday after the primary election~~ **fourth Friday in June of the year in which the general election is held** must be filled by the person who receives the next highest vote for the nomination in the primary.

4. No change may be made on the ballot for the general election after 5 p.m. on the ~~first Tuesday after the primary election~~ **fourth Friday in June of the year in which the general election is held**. If a nominee dies after that time and date, the nominee's name must remain on the ballot for the general election and, if elected, a vacancy exists.

5. All designations provided for in this section must be filed on or before 5 p.m. on the ~~first Tuesday after the primary election~~ **fourth Friday in June of the year in which the general election is held**. In each case, the statutory filing fee must be paid and an acceptance of the designation must be filed on or before 5 p.m. on the date the designation is filed.

Sec. 14. NRS 293.166 is hereby amended to read as follows:

293.166 1. A vacancy occurring in a party nomination for the office of State Senator, Assemblyman or Assemblywoman from a legislative district comprising more than one county may be filled as follows, subject to the provisions of subsections 2 and 3. The county commissioners of each county, all or part of which is included within the legislative district, shall meet to appoint a person who is of the same political party as the former nominee and who actually, as opposed to constructively, resides in the district to fill the vacancy, with the chair of the board of county commissioners of the county whose population residing within the district is the greatest presiding. Each board of county commissioners shall first meet separately and determine the single candidate it will nominate to fill the vacancy. Then, the boards shall meet jointly and the chairs on behalf of the boards shall cast a proportionate number of votes according to the percent, rounded to the nearest whole percent, which the population of its county is of the population of the entire district. Populations must be determined by the last decennial census or special census conducted by the Bureau of the Census of the United States Department of Commerce. The person who receives a plurality of these votes is appointed to fill the vacancy. If no person receives a plurality of the votes, the boards of county commissioners of the respective counties shall each as a group select one candidate, and the nominee must be chosen by drawing lots among the persons so selected.

2. No change may be made on the ballot after the ~~first Tuesday after the primary election~~ **fourth Friday in June** of the year in which the general election is held. If a nominee dies after that date, the nominee's name must remain on the ballot and, if elected, a vacancy exists.

3. The designation of a nominee pursuant to this section must be filed with the Secretary of State **on or** before 5 p.m. on the ~~first Tuesday after the primary election,~~ **fourth Friday in June of the year in which the general election is held**, and the statutory filing fee must be paid with the designation.

Sec. 15. NRS 293.171 is hereby amended to read as follows:

293.171 1. To ~~qualify~~ **be recognized** as a minor political party, an organization must file with the Secretary of State a certificate of existence which includes the:

- (a) Name of the political party;
- (b) Names of its officers;
- (c) Names of the members of its executive committee; and
- (d) Name of the person authorized to file the list of its candidates for partisan office with the Secretary of State.

2. A copy of the constitution or bylaws of the party must be affixed to the certificate.

3. A minor political party shall file with the Secretary of State an amended certificate of existence within 5 days after any change in the information contained in the certificate.

4. The constitution or bylaws of a minor political party must provide a procedure for the nomination of its candidates in such a manner that only one candidate may be nominated for each office.

5. A minor political party whose candidates for partisan office do not appear on the ballot for the general election must file a notice of continued existence with the Secretary of State not later than the second Friday in August preceding the general election.

6. A minor political party which fails to file a notice of continued existence as required by subsection 5 ceases to exist as a minor political party in this State.

Sec. 16. NRS 293.1715 is hereby amended to read as follows:

293.1715 1. The names of the candidates for partisan office of a minor political party must not appear on the ballot for a primary election.

2. The names of the candidates for partisan office of a minor political party must be placed on the ballot for the general election if the **minor political** party ~~has~~ **is qualified. To qualify as a minor political party, the minor political party must have** filed a certificate of existence and **be recognized pursuant to NRS 293.171, must have filed** a list of its candidates for partisan office pursuant to the provisions of NRS 293.1725 with the Secretary of State and:

(a) At the last preceding general election, the minor political party **must have** polled for any of its candidates for partisan office a number of votes equal to or more than 1 percent of the total number of votes cast for the offices of Representative in Congress;

(b) On January 1 preceding a primary election, the minor political party ~~has~~ **must have** been designated as the political party on the applications to

register to vote of at least 1 percent of the total number of registered voters in this State; or

(c) Not later than the ~~{second}~~ **third** Friday in ~~{June}~~ **May** preceding the general election, ~~{files}~~ **must file** a petition with the Secretary of State which is signed by a number of registered voters equal to at least 1 percent of the total number of votes cast at the last preceding general election for the offices of Representative in Congress.

3. The name of a candidate for partisan office for a minor political party other than a candidate for the office of President or Vice President of the United States must be placed on the ballot for the general election if the **minor political** party has filed:

(a) A certificate of existence ~~{}~~ **and is recognized pursuant to NRS 293.171;**

(b) A list of candidates for partisan office containing the name of the candidate pursuant to the provisions of NRS 293.1725 with the Secretary of State; and

(c) Not earlier than the first Monday in March preceding the general election and not later than 5 p.m. on the second Friday after the first Monday in March, a petition on behalf of the candidate with the Secretary of State containing not less than:

(1) Two hundred fifty signatures of registered voters if the candidate is to be nominated for a statewide office; or

(2) One hundred signatures of registered voters if the candidate is to be nominated for any office except a statewide office.

↪ A minor political party that places names of one or more candidates for partisan office on the ballot pursuant to this subsection may also place the names of one or more candidates for partisan office on the ballot pursuant to subsection 2.

4. The name of only one candidate of each minor political party for each partisan office may appear on the ballot for a general election.

5. A minor political party must file a copy of the petition required by paragraph (c) of subsection 2 or paragraph (c) of subsection 3 with the Secretary of State before the petition may be circulated for signatures.

Sec. 17. NRS 293.174 is hereby amended to read as follows:

293.174 ~~{1-}~~ If the qualification of a minor political party **to place the names of candidates on the ballot pursuant to NRS 293.1715** is challenged, all affidavits and documents in support of the challenge must be filed not later than 5 p.m. on the third Friday in June. Any judicial proceeding resulting from the challenge must be set for hearing not more than 5 days after the third Friday in June. A challenge pursuant to this ~~{subsection}~~ **section** must be filed with the First Judicial District Court if the petition was filed with the Secretary of State.

~~{2.—If the qualification of a candidate of a minor political party other than a candidate for the office of President or Vice President of the United States is challenged, all affidavits and documents in support of the challenge must~~

~~be filed not later than 5 p.m. on the fourth Monday in March. Any judicial proceeding resulting from the challenge must be set for hearing not more than 5 days after the fourth Monday in March. A challenge pursuant to this subsection must be filed with:~~

- ~~(a) The First Judicial District Court; or~~
- ~~(b) If a candidate who filed a declaration of candidacy with a county clerk is challenged, the district court for the county where the declaration of candidacy was filed.]~~

Sec. 18. NRS 293.176 is hereby amended to read as follows:

293.176 1. Except as otherwise provided in subsection 2, no person may be a candidate of a major political party for partisan office in any election if the person has changed:

- (a) The designation of his or her political party affiliation; or
 - (b) His or her designation of political party from nonpartisan to a designation of a political party affiliation,
- ➔ on an application to register to vote in the State of Nevada or in any other state during the time beginning on December 31 preceding the closing filing date for that election and ending on the date of that election whether or not the person's previous registration was still effective at the time of the change in party designation.

2. The provisions of subsection 1 do not apply to any person who is a candidate of a political party that ~~was~~ **is** not ~~qualified~~ **recognized** pursuant to NRS 293.171 on the December 31 next preceding the closing filing date for the election.

Sec. 19. NRS 293.184 is hereby amended to read as follows:

293.184 1. In addition to any other penalty provided by law, if a person ~~knowingly and~~ willfully files a declaration of candidacy or acceptance of candidacy ~~which~~ **knowing that the declaration of candidacy or acceptance of candidacy** contains a false statement:

~~{1. The}~~

(a) Except as otherwise provided in NRS 293.165 and 293.166, the name of the person must not appear on any ballot for the election for which the person filed the declaration of candidacy or acceptance of candidacy; and

~~{2.}~~ **(b)** The person is disqualified from entering upon the duties of the office for which he or she was a candidate.

2. If the name of a person who is disqualified from entering upon the duties of an office pursuant to subsection 1 appears on a ballot for the election is disqualified because the deadline set forth in NRS 293.165 and 293.166 for making changes to the ballot has passed, the Secretary of State and county clerk must post a sign at each polling place where the person's name will appear on the ballot informing voters that the person is disqualified from entering upon the duties of office.

Sec. 20. NRS 293.193 is hereby amended to read as follows:

293.193 1. ~~{Fees}~~ **Except as otherwise provided in subsection 6, fees** as listed in this section for filing declarations of candidacy or acceptances of

candidacy must be paid to the filing officer by cash, cashier's check or certified check.

~~United States Senator \$500 \$3,000~~

~~Representative in Congress 300 2,000~~

~~Governor 300 2,000~~

~~Justice of the Supreme Court 300 1,500~~

~~Any state office, other than Governor or justice of the Supreme Court
200 1,500~~

~~District judge 150 500~~

~~Justice of the peace 100 250~~

~~Any county office 100 300~~

~~State Senator 100 300~~

~~Assemblyman or Assemblywoman 100 300~~

~~Any district office other than district judge 30 100~~

~~Constable or other town or township office 30 100~~

For the purposes of this subsection, trustee of a county school district, hospital or hospital district is not a county office.

2. ~~No~~ **Except as otherwise provided in subsections 3 and 6, no** filing fee may be required from a candidate for an office the holder of which receives no compensation. **The provisions of this subsection apply even if the holder is eligible to receive per diem or reimbursement of expenses.**

3. **Except in the case of a State Senator, Assemblyman or Assemblywoman, and except as otherwise provided in subsection 6, a filing fee of \$25 is required from a candidate for an office the holder of which receives annual compensation in the amount of \$1,000 or less.**

4. The county clerk shall pay to the county treasurer all filing fees received from candidates. The county treasurer shall deposit the money to the credit of the general fund of the county.

~~4.~~ 5. Except as otherwise provided in NRS 293.194, a filing fee paid pursuant to this section is not refundable.

6. **A candidate for an office is not required to pay the filing fee required pursuant to this section if the candidate files with his or her declaration of candidacy or acceptance of candidacy:**

(a) **An affidavit, in the form prescribed by the Secretary of State and signed under penalty of perjury, that the candidate does not have the financial ability to pay the filing fee; and**

(b) **A petition to include the candidate on the ballot for the relevant office. Such a petition is subject to the requirements set forth in NRS 293.12757 to 293.1279, inclusive, must be in the form prescribed by the Secretary of State and must contain at least a number of signatures of registered voters within the candidate's district that is not less than the amount of the filing fee prescribed by subsection 1, 2 or 3, as applicable.**

Sec. 21. NRS 293.257 is hereby amended to read as follows:

293.257 1. There must be a separate primary ballot for each major political party. The names of candidates for partisan offices who have

designated a major political party in the declaration of candidacy or acceptance of candidacy must appear on the primary ballot of the major political party designated.

2. The county clerk may choose to place the names of candidates for nonpartisan offices on the ballots for each major political party or on a separate nonpartisan primary ballot, but the arrangement which the county clerk selects must permit all registered voters to vote on them.

3. *A registered voter may cast a primary ballot for a major political party at a primary election only if the registered voter designated on his or her application to register to vote an affiliation with that major political party.*

Sec. 22. NRS 293.268 is hereby amended to read as follows:

293.268 The offices for which there are candidates, the names of the candidates therefor, and the questions to be voted upon must be printed on ballots in the following order:

1. President and Vice President of the United States.
2. United States Senator and Representative in Congress, in that sequence.
3. Governor, Lieutenant Governor, Secretary of State, Treasurer, Controller, ~~and~~ Attorney General ~~and~~ ***and justice of the Supreme Court***, in that sequence.
4. State Senators and members of the Assembly.
5. County and township partisan offices.
6. ~~Statewide~~ ***Except as otherwise provided in subsection 3, statewide*** nonpartisan offices.
7. District nonpartisan offices.
8. County nonpartisan offices.
9. City offices:
 - (a) Mayor;
 - (b) Council members according to ward in numerical order, if no wards, in alphabetical order; and
 - (c) Municipal judges.
10. Township nonpartisan offices.
11. Questions presented to the voters of the State with advisory questions listed in consecutive order after any other questions presented to the voters of the State.
12. Questions presented only to the voters of a special district or political subdivision of the State with advisory questions listed in consecutive order after any other questions presented only to the voters of a special district or political subdivision of the State.

Sec. 23. NRS 293.333 is hereby amended to read as follows:

293.333 On the day of an election, the precinct or district election boards receiving the absent voters' ballots from the county clerk shall, in the presence of a majority of the election board officers, remove the ballots from the ballot box and the containers in which the ballots were transported

pursuant to NRS 293.325 and deposit the ballots in the regular ballot box in the following manner:

1. The name of the voter, as shown on the return envelope, ~~for~~ facsimile, ***special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable***, must be called and checked as if the voter were voting in person;

2. The signature on the back of the return envelope or on the facsimile, ***special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable***, must be compared with that on the original application to register to vote;

3. If the board determines that the absent voter is entitled to cast a ballot, the envelope must be opened, the numbers on the ballot and envelope compared, the number strip or stub detached from the ballot and, if the numbers are the same, the ballot deposited in the regular ballot box; and

4. The election board officers shall mark in the roster opposite the name of the voter the word "Voted."

Sec. 24. NRS 293.3568 is hereby amended to read as follows:

293.3568 1. The period for early voting by personal appearance begins the third Saturday preceding a primary or general election and extends through the Friday before election day, Sundays and ***federal*** holidays excepted.

2. The county clerk may:

(a) Include any Sunday or ***federal*** holiday that falls within the period for early voting by personal appearance.

(b) Require a permanent polling place for early voting to remain open until 8 p.m. on any Saturday that falls within the period for early voting.

3. A permanent polling place for early voting must remain open:

(a) On Monday through Friday:

(1) During the first week of early voting, from 8 a.m. until 6 p.m.

(2) During the second week of early voting, from 8 a.m. until 6 p.m., or until 8 p.m. if the county clerk so requires.

(b) On any Saturday that falls within the period for early voting, for at least 4 hours between 10 a.m. and 6 p.m.

(c) If the county clerk includes a Sunday that falls within the period for early voting pursuant to subsection 2, during such hours as the county clerk may establish.

Sec. 25. NRS 293.368 is hereby amended to read as follows:

293.368 1. Whenever a candidate whose name appears upon the ballot at a primary election dies after 5 p.m. of the second Tuesday in April, the deceased candidate's name must remain on the ballot and the votes cast for the deceased candidate must be counted in determining the nomination for the office for which the decedent was a candidate.

2. If the deceased candidate on the ballot at the primary election receives the number of votes required to receive the nomination to the office for which he or she was a candidate, except as otherwise provided in subsection

3 of NRS 293.165, the deceased candidate shall be deemed nominated and the vacancy in the nomination must be filled as provided in NRS 293.165 or 293.166. If the deceased person was a candidate for a nonpartisan office, the nomination must be filled pursuant to subsection 2 of NRS 293.165.

3. Whenever a candidate whose name appears upon the ballot at a general election dies after 5 p.m. on the ~~{first Tuesday after the primary election,}~~ **fourth Friday in June of the year in which the general election is held**, the votes cast for the deceased candidate must be counted in determining the results of the election for the office for which the decedent was a candidate.

4. If the deceased candidate on the ballot at the general election receives the majority of the votes cast for the office, the deceased candidate shall be deemed elected and the office to which he or she was elected shall be deemed vacant at the beginning of the term for which he or she was elected. The vacancy thus created must be filled in the same manner as if the candidate had died after taking office for that term.

Sec. 26. NRS 293.383 is hereby amended to read as follows:

293.383 1. Except as otherwise provided in ~~{subsection 2,}~~ **this section**, each counting board, before it adjourns, shall post a copy of the voting results in a conspicuous place on the outside of the place where the votes were counted.

2. ~~{When}~~ **Except as otherwise provided in subsection 3, when** votes are cast on ballots which are mechanically or electronically tabulated in accordance with the provisions of chapter 293B of NRS, the county clerk shall, as soon as possible, post copies of the tabulated voting results in a conspicuous place on the outside of the counting facility or courthouse.

3. **The Secretary of State shall notify each county clerk as soon as is reasonably practicable when every polling place is closed and all votes have been cast. A county clerk shall not post copies of the tabulated voting results for a statewide or multicounty race or ballot question until the county clerk has received notification from the Secretary of State that all polling places are closed and all votes have been cast.**

4. Each copy of the voting results posted in accordance with subsections 1, ~~{and}~~ 2 **and** 3 must set forth the accumulative total of all the votes cast within the county or other political subdivision conducting the election and must be signed by the members of the counting board or the computer program and processing accuracy board.

Sec. 27. NRS 293.404 is hereby amended to read as follows:

293.404 1. Where a recount is demanded pursuant to the provisions of NRS 293.403, the:

(a) County clerk of each county affected by the recount shall employ a recount board to conduct the recount in the county, and shall act as chair of the recount board unless the recount is for the office of county clerk, in which case the registrar of voters of the county, if a registrar of voters has been appointed for the county, shall act as chair of the recount board. If a

registrar of voters has not been appointed for the county, the chair of the board of county commissioners, if the chair is not a candidate on the ballot, shall act as chair of the recount board. If the recount is for the office of county clerk, a registrar of voters has not been appointed for the county and the chair of the board of county commissioners is a candidate on the ballot, the chair of the board of county commissioners shall appoint another member of the board of county commissioners who is not a candidate on the ballot to act as chair of the recount board. A member of the board of county commissioners who is a candidate on the ballot may not serve as a member of the recount board.

(b) City clerk shall employ a recount board to conduct the recount in the city, and shall act as chair of the recount board unless the recount is for the office of city clerk, in which case the mayor of the city, if the mayor is not a candidate on the ballot, shall act as chair of the recount board. If the recount is for the office of city clerk and the mayor of the city is a candidate on the ballot, the mayor of the city shall appoint another member of the city council who is not a candidate on the ballot to act as chair of the recount board. A member of the city council who is a candidate on the ballot may not serve as a member of the recount board.

2. Each candidate for the office affected by the recount and the voter who demanded the recount, if any, may be present in person or by an authorized representative, but may not be a member of the recount board.

3. Except in counties or cities using a mechanical voting system, the recount must include a count and inspection of all ballots, including rejected ballots, and must determine whether those ballots are marked as required by law.

4. If a recount is demanded in a county or city using a mechanical voting system, the person who demanded the recount shall select the ballots for the office or ballot question affected from ~~{S}~~ :

(a) Five percent of the precincts, but in no case fewer than three precincts, after notification to each candidate for the office or the candidate's authorized representative ~~{H}~~ ; **or**

(b) The absent ballots cast by mail in that county or city.

5. The recount board shall examine the selected ballots, including any duplicate or rejected ballots, shall determine whether the ballots have been voted in accordance with this title and shall count the valid ballots by hand. In addition, a recount by computer must be made of all the selected ballots. If the count by hand or the recount by computer of the selected ballots shows a discrepancy equal to or greater than 1 percent or five votes, whichever is greater, for the candidate demanding the recount or the candidate who won the election according to the original canvass of the returns, or in favor of or against a ballot question, according to the original canvass of the returns, the county or city clerk shall order a count by hand of all the ballots for that office or ballot question. Otherwise, the county or city clerk shall order a

recount by computer of all the ballots for all candidates for the office or all the ballots for the ballot question.

~~{5-}~~ 6. The county or city clerk shall unseal and give to the recount board all ballots to be counted.

~~{6-}~~ 7. In the case of a demand for a recount affecting more than one county, the demand must be made to the Secretary of State, who shall notify the county clerks to proceed with the recount.

Sec. 28. NRS 293.463 is hereby amended to read as follows:

293.463 1. Any registered voter may be absent from his or her place of employment at a time to be designated by the employer for a sufficient time to vote ~~{}~~ **or participate in the nomination process for candidates for President of the United States at a caucus of a political party**, if it is impracticable for the voter to vote **or participate in the nomination process** before or after his or her hours of employment. A sufficient time to vote shall be determined as follows:

(a) If the distance between the place of such voter's employment and the polling place **or place where the caucus is held, as applicable**, where such person votes is 2 miles or less, 1 hour.

(b) If the distance is more than 2 miles but not more than 10 miles, 2 hours.

(c) If the distance is more than 10 miles, 3 hours.

2. Such voter may not, because of such absence, be discharged, disciplined or penalized, nor shall any deduction be made from his or her usual salary or wages by reason of such absence.

3. Application for leave of absence to vote **or participate in the nomination process** shall be made to the employer or person authorized to grant such leave prior to the day of the election.

4. Any employer or person authorized to grant the leave of absence provided for in subsection 1, who denies any registered voter any right granted under this section, or who otherwise violates the provisions of this section, is guilty of a misdemeanor.

Sec. 29. NRS 293.4687 is hereby amended to read as follows:

293.4687 1. The Secretary of State shall maintain a website on the Internet for public information maintained, collected or compiled by the Secretary of State that relates to elections, which must include, without limitation:

(a) The Voters' Bill of Rights required to be posted on the Secretary of State's Internet website pursuant to the provisions of NRS 293.2549;

(b) The abstract of votes required to be posted on a website pursuant to the provisions of NRS 293.388;

(c) A current list of the registered voters in this State that also indicates the petition district in which each registered voter resides;

(d) A map or maps indicating the boundaries of each petition district; and

(e) All reports on campaign contributions and expenditures submitted to the Secretary of State pursuant to the provisions of NRS 294A.120,

294A.125, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283, 294A.360 and 294A.362 **and section 38 of this act** and all reports on contributions received by and expenditures made from a legal defense fund **or used to pay for legal expenses** submitted to the Secretary of State pursuant to NRS 294A.286.

2. The abstract of votes required to be maintained on the website pursuant to paragraph (b) of subsection 1 must be maintained in such a format as to permit the searching of the abstract of votes for specific information.

3. If the information required to be maintained by the Secretary of State pursuant to subsection 1 may be obtained by the public from a website on the Internet maintained by a county clerk or city clerk, the Secretary of State may provide a hyperlink to that website to comply with the provisions of subsection 1 with regard to that information.

Sec. 30. NRS 293.487 is hereby amended to read as follows:

293.487 No person may gain or lose residence by reason of his or her presence or absence while ~~employed~~ :

1. Employed in the military, naval or civil service of the United States or of the State of Nevada, or while engaged in the navigation of the waters of the United States or of the high seas ~~[-, or while a]~~ **or while married to another person who is so employed or engaged;**

2. A student at any seminary or other institution of learning ~~[-, or while a]~~ **and** ; **or**

3. An inmate of any public institution.

Sec. 31. Chapter 293C of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, a person may not submit and the city clerk shall not accept a declaration of candidacy or acceptance of candidacy if a civil penalty has been issued or a fine imposed against the person for a violation of any provision of this title and the civil penalty or fine remains unpaid.

2. Notwithstanding the provisions of subsection 1, a person described in subsection 1 may submit and the city clerk shall accept the declaration of candidacy or acceptance of candidacy if the unpaid civil penalty or fine is under appeal and the person posts a bond with the Secretary of State for the same amount as the unpaid civil penalty or fine.

3. Not later than 15 days before the first day for filing a declaration of candidacy or acceptance of candidacy set forth in NRS 293C.185, the Secretary of State shall notify each city clerk of, and post on the Secretary of State's Internet website, the name of any person who is prohibited from filing a declaration of candidacy or acceptance of candidacy pursuant to this section.

Sec. 32. NRS 293C.1865 is hereby amended to read as follows:

293C.1865 **1.** In addition to any other penalty provided by law, if a person ~~knowingly and~~ willfully files a declaration of candidacy or

acceptance of candidacy ~~[which]~~ **knowing that the declaration of candidacy or acceptance of candidacy** contains a false statement:

~~{1. The}~~

(a) **Except as otherwise provided in NRS 293.165 or 293.166, the** name of the person must not appear on any ballot for the election for which the person filed the declaration of candidacy or acceptance of candidacy; and

~~{2.}~~ (b) The person is disqualified from entering upon the duties of the office for which he or she was a candidate.

2. **If the name of a person who is disqualified from entering upon the duties of an office pursuant to subsection 1 appears on a ballot for the election is disqualified because the deadline set forth in NRS 293.165 and 293.166 for making changes to the ballot has passed, the Secretary of State and city clerk must post a sign at each polling place where the person's name will appear on the ballot informing voters that the person is disqualified from entering upon the duties of office.**

Sec. 33. NRS 293C.332 is hereby amended to read as follows:

293C.332 On the day of an election, the precinct or district election boards receiving the absent voters' ballots from the city clerk shall, in the presence of a majority of the election board officers, remove the ballots from the ballot box and the containers in which the ballots were transported pursuant to NRS 293C.325 and deposit the ballots in the regular ballot box in the following manner:

1. The name of the voter, as shown on the return envelope , ~~for~~ facsimile, **special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable,** must be called and checked as if the voter were voting in person;

2. The signature on the back of the return envelope or on the facsimile , **special absent ballot or oath of the voter required pursuant to NRS 293.3157, as applicable,** must be compared with that on the original application to register to vote;

3. If the board determines that the absent voter is entitled to cast a ballot, the envelope must be opened, the numbers on the ballot and envelope compared, the number strip or stub detached from the ballot and, if the numbers are the same, the ballot deposited in the regular ballot box; and

4. The election board officers shall mark in the roster opposite the name of the voter the word "Voted."

Sec. 34. NRS 293C.3568 is hereby amended to read as follows:

293C.3568 1. The period for early voting by personal appearance begins the third Saturday preceding a primary city election or general city election, and extends through the Friday before election day, Sundays and **federal** holidays excepted.

2. The city clerk may:

(a) Include any Sunday or **federal** holiday that falls within the period for early voting by personal appearance.

(b) Require a permanent polling place for early voting to remain open until 8 p.m. on any Saturday that falls within the period for early voting.

3. A permanent polling place for early voting must remain open:

(a) On Monday through Friday:

(1) During the first week of early voting, from 8 a.m. until 6 p.m.

(2) During the second week of early voting, from 8 a.m. until 6 p.m., or until 8 p.m. if the city clerk so requires.

(b) On any Saturday that falls within the period for early voting, for at least 4 hours between 10 a.m. and 6 p.m.

(c) If the city clerk includes a Sunday that falls within the period for early voting pursuant to subsection 2, during such hours as the city clerk may establish.

Sec. 35. Chapter 294A of NRS is hereby amended by adding thereto the provisions set forth as sections 36, 37 and 38 of this act.

Sec. 36. *“Advocates expressly” or “expressly advocates” means that a communication, taken as a whole, is susceptible to no other reasonable interpretation other than as an appeal to vote for or against a clearly identified candidate or group or candidates or a question or group of questions on the ballot at a primary election, primary city election, general election, general city election or special election. A communication does not have to include the words “vote for,” “vote against,” “elect,” “support” or other similar language to be considered a communication that expressly advocates the passage or defeat of a candidate or a question.*

Sec. 37. 1. *A person, committee for political action, political party or committee sponsored by a political party that makes an expenditure of more than \$100 for the purpose of financing a communication, including, without limitation, an electioneering communication, through any television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing or any other type of general public political advertising that:*

(a) Advocates expressly the election or defeat of a clearly identified candidate or group of candidates; or

(b) Solicits a contribution through any television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing or any other type of general public political advertising,

↪ shall disclose on the communication the name of the person, committee for political action, political party or committee sponsored by a political party that paid for the communication.

2. *If a communication described in subsection 1 is approved by a candidate, in addition to the requirements of subsection 1, the communication must state that the candidate approved the communication and disclose the street address, telephone number and Internet address, if any, of the person, committee for political action, political party or committee sponsored by a political party that paid for the communication.*

3. A person, committee for political action, political party or committee sponsored by a political party that has an Internet website available for viewing by the general public or that sends out an electronic mailing to more than 500 people that:

(a) Advocates expressly the election or defeat of a clearly identified candidate or group of candidates; or

(b) Solicits a contribution through any television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing or any other type of general public political advertising,

↪ shall disclose on the Internet website or electronic mailing, as applicable, the name of the person, committee for political action, political party or committee sponsored by a political party.

4. The disclosures and statements required pursuant to this section must be clear and conspicuous, and easy to read or hear, as applicable.

5. As used in this section, "electioneering communication" has the meaning ascribed to it in 11 C.F.R. § 100.29.

Sec. 38. 1. Every person who is not under the direction or control of a candidate for office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party or committee sponsored by a political party which makes an expenditure on behalf of such a candidate or group of candidates shall, report each expenditure in excess of \$5,000 and expenditures to the same payee which cumulatively exceed \$5,000 that have not been reported previously pursuant to NRS 294A.210. Such a report must be on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee or political party under penalty of perjury.

2. The reporting requirements set forth in subsection 1 apply to the person, committee or political party beginning on January 1 of the year of the general election or general city election for the office until 20 days preceding the general election or general city election for that office.

3. Expenditures made within this State or made elsewhere but for use within this State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

4. The reports must be filed with:

(a) If the candidate is elected from one county, the county clerk of that county;

(b) If the candidate is elected from one city, the city clerk of that city; or

(c) If the candidate is elected from more than one county or city, the Secretary of State.

5. *If an expenditure is made on behalf of a group of candidates, the reports must be itemized by the candidate. A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer on the date that it was received by the officer, regardless of whether the report was sent by regular mail or certified mail, transmitted by facsimile machine or electronic means, or delivered personally.*

6. *Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.*

7. *The Secretary of State may adopt regulations to carry out the provisions of this section.*

Sec. 39. NRS 294A.002 is hereby amended to read as follows:

294A.002 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS ~~[294A.003]~~ **294A.004** to 294A.009, inclusive, **and section 36 of this act** have the meanings ascribed to them in those sections.

Sec. 40. NRS 294A.007 is hereby amended to read as follows:

294A.007 1. “Contribution” means a gift, loan, conveyance, deposit, payment, transfer or distribution of money or of anything of value other than the services of a volunteer, and includes:

(a) The payment by any person, other than a candidate, of compensation for the personal services of another person which are rendered to a:

(1) Candidate;

(2) Person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group;

(3) Committee for political action, political party ~~[-]~~ **or** committee sponsored by a political party ~~[-]~~ **or business entity** which makes an expenditure on behalf of a candidate or group of candidates; or

(4) Person or group of persons organized formally or informally ~~[-]~~ **including a business entity,** who advocates the passage or defeat of a question or group of questions on the ballot,

➤ without charge to the candidate, person, committee or political party.

(b) The value of services provided in kind for which money would have otherwise been paid, such as paid polling and resulting data, paid direct mail, paid solicitation by telephone, any paid paraphernalia that was printed or otherwise produced to promote a campaign and the use of paid personnel to assist in a campaign.

2. As used in this section, “volunteer” means a person who does not receive compensation of any kind, directly or indirectly, for the services provided to a campaign.

Sec. 41. NRS 294A.100 is hereby amended to read as follows:

294A.100 1. A person shall not make a contribution or contributions to a candidate for any office, except a federal office, in an amount which exceeds \$5,000 for the primary election or primary city election, regardless of the number of candidates for the office, and \$5,000 for the general election or general city election, regardless of the number of candidates for the office, during the period:

(a) Beginning from 30 days before the regular session of the Legislature immediately following the last election for the office and ending 30 days before the regular session of the Legislature immediately following the next election for the office, if that office is a state, district, county or township office; or

(b) Beginning from 30 days after the last election for the office and ending 30 days before the next general city election for the office, if that office is a city office.

2. A candidate shall not accept a contribution made in violation of subsection 1.

3. *A person shall not make a contribution or contributions to a committee for political action in an amount which exceeds \$5,000 for the primary election or primary city election, and \$5,000 for the general election or general city election, if the purpose for which the committee for political action was organized is solely for the support or opposition of a single candidate, except for a candidate for federal office.*

4. A person who willfully violates any provision of this section is guilty of a category E felony and shall be punished as provided in NRS 193.130.

Sec. 41.5. NRS 294A.112 is hereby amended to read as follows:

294A.112 1. A person shall not:

(a) Make a contribution in the name of another person;

(b) Knowingly allow his or her name to be used to cause a contribution to be made in the name of another person or assist in the making of a contribution in the name of another person;

(c) Knowingly assist a person to make a contribution in the name of another person; ~~for~~

(d) Knowingly accept a contribution made by a person in the name of another person. ~~It~~; or

(e) Make a contribution to a committee for political action with the knowledge and intent that the committee for political action will contribute that money to a specific candidate which, in combination with the total contributions already made by the person for the same election, would violate the limitations on contributions set forth in this chapter.

2. As used in this section, “make a contribution in the name of another person” includes, without limitation:

(a) Giving money or an item of value, all or part of which was provided by another person, without disclosing the source of the money or item of value to the recipient at the time the contribution is made; and

(b) Giving money or an item of value, all or part of which belongs to the person who is giving the money or item of value, and claiming that the money or item of value belongs to another person.

Sec. 42. NRS 294A.120 is hereby amended to read as follows:

294A.120 1. Every candidate for state, district, county or township office at a primary or general election shall, not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The provisions of this subsection apply to the candidate beginning the year of the general election for that office through the year immediately preceding the next general election for that office.

2. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~{12}~~ 25 days before the primary election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election for that office, for the period from ~~{11}~~ 24 days before the primary election through ~~{12}~~ 5 days before the ~~{general election}; and~~

~~(c) July 15 of the year of}~~ **primary election;**

~~(c) Twenty-one days before the general election for that office, for the period from {11} 4 days before the {general} primary election through June 30 of that year,} 25 days before the general election; and~~

~~(d) Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,~~

➔ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

3. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~{12}~~ 25 days before the primary election; ~~and~~

~~(b) Seven}~~

(b) Four days before the ~~general~~ primary election for that office, for the period from ~~11~~ 24 days before the primary election through ~~12~~ 5 days before the ~~general election,~~ primary election;

(c) Twenty-one days before the general election for that office, for the period from 4 days before the primary election through 25 days before the general election; and

(d) Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,

➤ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

4. Except as otherwise provided in subsection 5, every candidate for a district office at a special election shall, not later than:

(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➤ report each campaign contribution in excess of \$100 received during the period and contributions received during the reporting period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

5. Every candidate for state, district, county, municipal or township office at a special election to determine whether a public officer will be recalled shall list each of the campaign contributions received on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the candidate under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) A district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Reports of campaign contributions must be filed with the officer with whom the candidate filed the declaration of candidacy or acceptance of candidacy. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer ~~if~~

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

~~(b) On~~ on the date that it was received by the officer ~~filed~~, **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

7. Every county clerk who receives from candidates for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, reports of campaign contributions pursuant to this section shall file a copy of each report with the Secretary of State within 10 working days after receiving the report.

8. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the current reporting period.

Sec. 43. NRS 294A.125 is hereby amended to read as follows:

294A.125 1. In addition to complying with the requirements set forth in NRS 294A.120, 294A.200 and 294A.360, a candidate who receives contributions in any year before the year in which the general election or general city election in which the candidate intends to seek election to public office is held shall, for:

(a) The year in which the candidate receives contributions in excess of \$10,000, list each of the contributions received and the expenditures in excess of \$100 made in that year.

(b) Each year after the year in which the candidate received contributions in excess of \$10,000, until the year of the general election or general city election in which the candidate intends to seek election to public office is held, list each of the contributions received and the expenditures in excess of \$100 made in that year.

2. The reports required by subsection 1 must be submitted on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the list for each contribution in excess of \$100 and contributions that a contributor has made cumulatively in excess of that amount.

4. The report must be filed:

(a) With the officer with whom the candidate will file the declaration of candidacy or acceptance of candidacy for the public office the candidate intends to seek. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer:

~~filed~~ ~~(1) On the date it was mailed if it was sent by certified mail.~~

~~(2) On~~ on the date it was received by the officer ~~filed~~, **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

(b) On or before January 15 of the year immediately after the year for which the report is made.

5. A county clerk who receives from a candidate for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, a report of contributions and expenditures pursuant to subsection 4 shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

Sec. 44. NRS 294A.140 is hereby amended to read as follows:

294A.140 1. Every person who is not under the direction or control of a candidate for office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party ~~{}~~ and committee sponsored by a political party ~~{}~~ and business entity which **receives contributions in excess of \$100 or** makes an expenditure on behalf of such a candidate or group of candidates shall, not later than January 15 of each year that the provisions of this subsection apply to the person, committee ~~{}~~ or political party, ~~{}~~ for business entity, for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The provisions of this subsection apply to the person, committee ~~{}~~ or political party ~~{}~~ for business entity beginning the year of the general election or general city election for that office through the year immediately preceding the next general election or general city election for that office.

2. Every person, committee ~~{}~~ or political party ~~{}~~ for business entity described in subsection 1 which makes an expenditure on behalf of the candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ 25 days before the primary election or primary city election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election for that office, for the period from ~~{11}~~ 24 days before the primary election or primary city election through ~~{12}~~ 5 days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election; ~~{and}~~

(c) ~~July 15 of the year of~~

(c) ***Twenty-one days before*** the general election or general city election for that office, for the period from ~~{11}~~ 4 days before the ~~{general}~~ ***primary*** election or ~~{general}~~ ***primary*** city election through ~~{June 30 of that year,}~~ ***25 days before the general election or general city election; and***

(d) ***Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,***

➔ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~{}~~ or political party ~~for business entity~~ under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of \$100 since the beginning of the current reporting period.

4. Every person, committee ~~{}~~ or political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~{Seven}~~ ***Twenty-one*** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ 25 days before the primary election or primary city election; ~~{and}~~

(b) ~~{Seven}~~ ***Four*** days before the ~~{general}~~ ***primary*** election or ~~{general}~~ ***primary*** city election for that office, for the period from ~~{11}~~ 24 days before the primary election or primary city election through ~~{12}~~ 5 days before the ~~{general}~~ ***primary*** election or ~~{general}~~ ***primary*** city election ~~{}~~ ;

(c) ***Twenty-one days before the general election or general city election for that office, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and***

(d) ***Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,***

➔ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which

cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or~~ political party ~~for business entity~~ under penalty of perjury.

5. Except as otherwise provided in subsection 6, every person, committee ~~or~~ political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election or on behalf of a group of such candidates shall, not later than:

(a) Seven days before the special election for the office for which the candidate or a candidate in the group of candidates seeks election, for the period from the nomination of the candidate through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➤ report each campaign contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or~~ political party ~~for business entity~~ under penalty of perjury.

6. Every person, committee ~~or~~ political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election to determine whether a public officer will be recalled or on behalf of a group of candidates for offices at such special elections shall report each contribution in excess of \$100 received during the period and contributions received during the period from a contributor which cumulatively exceed \$100. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the committee ~~or~~ political party ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

7. The reports of contributions required pursuant to this section must be filed with:

(a) If the candidate is elected from one county, the county clerk of that county;

(b) If the candidate is elected from one city, the city clerk of that city; or

(c) If the candidate is elected from more than one county or city, the Secretary of State.

8. A person ~~for entity~~, **committee or political party** may file the report with the appropriate officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer ~~if~~

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

(b) ~~On~~ **on** the date that it was received by the officer ~~if~~, **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

10. Every person, committee ~~for~~ **or** political party ~~for business entity~~ described in subsection 1 shall file a report required by this section even if the person, committee ~~for~~ **or** political party ~~for business entity~~ receives no contributions.

Sec. 45. NRS 294A.150 is hereby amended to read as follows:

294A.150 1. Except as otherwise provided in NRS 294A.283, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than January 15 of each year that the provisions of this subsection apply to the person ~~for~~ **or** group of persons, ~~for business entity,~~ for the period from January 1 of the previous year through December 31 of the previous year, report each campaign contribution in excess of \$1,000 received during that period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury. The provisions of this subsection apply to the person ~~for~~ **or** group of persons : ~~for business entity.~~

(a) Each year in which:

(1) An election or city election is held for each question for which the person ~~for~~ **or** group of persons ~~for business entity~~ advocates passage or defeat; or

(2) A person ~~for~~ **or** group of persons ~~for business entity~~ receives or expends money in excess of \$10,000 to advocate the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election; and

(b) The year after each year described in paragraph (a).

2. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after January 1 and before the July 1 immediately following that January 1, every

person or group of persons organized formally or informally ~~[-, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. If a question is on the ballot at a general election or general city election held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~[-, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~[-]~~ or group of persons ~~for business entity]~~ described in this subsection shall, not later than:

(a) ~~Seven]~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~12]~~ **25** days before the primary election or primary city election;

(b) ~~Seven]~~ **Four** days before the ~~general]~~ **primary** election or ~~general]~~ **primary** city election, for the period from ~~11]~~ **24** days before the primary election or primary city election through ~~12]~~ **5** days before the ~~general]~~ **primary** election or ~~general]~~ **primary** city election; ~~and~~

~~(c) July 15 of the year of]~~

(c) **Twenty-one days before** the general election or general city election, for the period from ~~11]~~ **4** days before the ~~general]~~ **primary** election or ~~general]~~ **primary** city election through ~~June 30 of that year,]~~ **25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

➔ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity]~~ under penalty of perjury.

3. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$1,000 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the current reporting period.

4. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after

July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. Except as otherwise provided in NRS 294A.283, if a question is on the ballot at a general election or general city election held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~or~~ group of persons ~~for business entity~~ described in this subsection shall, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~11~~ 25 days before the primary election or primary city election; ~~and~~

~~(b) Seven~~

(b) **Four** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election, for the period from ~~11~~ 24 days before the primary election or primary city election through ~~12~~ 5 days before the ~~general~~ **primary** election or ~~general~~ **primary** city election ~~;~~;

(c) **Twenty-one days before the general election or general city election, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

➤ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

5. Except as otherwise provided in subsection 6, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than:

(a) Seven days before the special election, for the period from the date that the question qualified for the ballot through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➔ report each campaign contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. The report must be completed on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

6. Every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election to determine whether a public officer will be recalled and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall report each of the contributions received on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

7. The reports required pursuant to this section must be filed with:

(a) If the question is submitted to the voters of one county, the county clerk of that county;

(b) If the question is submitted to the voters of one city, the city clerk of that city; or

(c) If the question is submitted to the voters of more than one county or city, the Secretary of State.

8. A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer ~~if~~

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

~~(b) On~~ **on** the date that it was received by the officer ~~if~~, **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. If the person or group of persons ~~including a business entity,~~ is advocating passage or defeat of a group of questions, the reports must be itemized by question or petition.

10. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

Sec. 46. NRS 294A.200 is hereby amended to read as follows:

294A.200 1. Every candidate for state, district, county or township office at a primary or general election shall, not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year, report each of the campaign expenses in excess of \$100 incurred and each amount in excess of \$100 disposed of pursuant to NRS 294A.160 during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the candidate under penalty of perjury. The provisions of this subsection apply to the candidate:

(a) Beginning the year of the general election for that office through the year immediately preceding the next general election for that office; and

(b) Each year immediately succeeding a calendar year during which the candidate disposes of contributions pursuant to NRS 294A.160.

2. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~{12}~~ **25** days before the primary election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election for that office, for the period from ~~{11}~~ **24** days before the primary election through ~~{12}~~ **5** days before the ~~{general election}; and~~

~~{c} July 15 of the year of}~~ **primary election;**

~~{c} Twenty-one days before the general election for that office, for the period from {11} 4 days before the {general} primary election through June 30 of that year,} 25 days before the general election; and~~

~~{d} Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,~~

↪ report each of the campaign expenses in excess of \$100 incurred during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

3. Every candidate for state, district, county or township office at a primary or general election shall, if the general election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election for that office, for the period from the January 1 immediately preceding the primary election through ~~{12}~~ **25** days before the primary election; ~~{and}~~

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election for that office, for the period from ~~11~~ **24** days before the primary election through ~~12~~ **5** days before the general election ~~1~~;

(c) *Twenty-one days before the general election for that office, for the period from 4 days before the primary election through 25 days before the general election; and*

(d) *Four days before the general election for that office, for the period from 24 days before the general election through 5 days before the general election,*

➔ report each of the campaign expenses in excess of \$100 incurred during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the candidate under penalty of perjury.

4. Except as otherwise provided in subsection 5, every candidate for a district office at a special election shall, not later than:

(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

➔ report each of the campaign expenses in excess of \$100 incurred during the period on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the candidate under penalty of perjury.

5. Every candidate for state, district, county, municipal or township office at a special election to determine whether a public officer will be recalled shall report each of the campaign expenses in excess of \$100 incurred on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the candidate under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Reports of campaign expenses must be filed with the officer with whom the candidate filed the declaration of candidacy or acceptance of candidacy. A candidate may mail or transmit the report to that officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the officer ~~1~~:

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

~~(b) On~~ **on** the date that it was received by the officer ~~1~~, **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

7. County clerks who receive from candidates for legislative or judicial office, including, without limitation, the office of justice of the peace or municipal judge, reports of campaign expenses pursuant to this section shall file a copy of each report with the Secretary of State within 10 working days after receiving the report.

Sec. 47. NRS 294A.210 is hereby amended to read as follows:

294A.210 1. Every person who is not under the direction or control of a candidate for an office at a primary election, primary city election, general election or general city election, of a group of such candidates or of any person involved in the campaign of that candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group, and every committee for political action, political party ~~{}~~ or committee sponsored by a political party ~~for business entity~~ which **receives contributions in excess of \$100 or** makes an expenditure on behalf of such a candidate or group of candidates shall, not later than January 15 of each year that the provisions of this subsection apply to the person, committee ~~{}~~ or political party, ~~for business entity,~~ for the period from January 1 of the previous year through December 31 of the previous year, report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~{}~~ or political party ~~for business entity~~ under penalty of perjury. The provisions of this subsection apply to the person, committee ~~{}~~ or political party ~~for business entity~~ beginning the year of the general election or general city election for that office through the year immediately preceding the next general election or general city election for that office.

2. Every person, committee ~~{}~~ or political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after January 1 and before the July 1 immediately following that January 1, not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~{12}~~ **25** days before the primary election or primary city election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election for that office, for the period from ~~{11}~~ **24** days before the primary election or primary city election through ~~{12}~~ **5** days before the ~~{general}~~ **primary** election or ~~{general}~~ **primary** city election; ~~and~~

(c) ~~July 15 of the year of~~

(c) ***Twenty-one days before*** the general election or general city election for that office, for the period from ~~4~~ 4 days before the ~~general~~ ***primary*** election or ~~general~~ ***primary*** city election through ~~the June 30 of that year,~~ ***25 days before the general election or general city election; and***

(d) ***Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,***

→ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or~~ ***or*** political party ~~for business entity~~ under penalty of perjury.

3. Every person, committee ~~or~~ ***or*** political party ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a primary election, primary city election, general election or general city election or on behalf of a group of such candidates shall, if the general election or general city election for the office for which the candidate or a candidate in the group of candidates seeks election is held on or after July 1 and before the January 1 immediately following that July 1, not later than:

(a) ~~Seven~~ ***Twenty-one*** days before the primary election or primary city election for that office, for the period from the January 1 immediately preceding the primary election or primary city election through ~~25~~ 25 days before the primary election or primary city election; ~~and~~

(b) ~~Seven~~ ***Four*** days before the ~~general~~ ***primary*** election or ~~general~~ ***primary*** city election for that office, for the period from ~~4~~ 24 days before the primary election or primary city election through ~~5~~ 5 days before the ~~general~~ ***primary*** election or ~~general~~ ***primary*** city election ~~or~~ ***;***

(c) ***Twenty-one days before the general election or general city election for that office, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and***

(d) ***Four days before the general election or general city election for that office, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,***

→ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or~~ ***or*** political party ~~for business entity~~ under penalty of perjury.

4. Except as otherwise provided in subsection 5, every person, committee ~~or~~ ~~political party~~ ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election or on behalf of a group of such candidates shall, not later than:

(a) Seven days before the special election for the office for which the candidate or a candidate in the group of candidates seeks election, for the period from the nomination of the candidate through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

→ report each expenditure made during the period on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the committee ~~or~~ ~~political party~~ ~~for business entity~~ under penalty of perjury.

5. Every person, committee ~~or~~ ~~political party~~ ~~for business entity~~ described in subsection 1 which makes an expenditure on behalf of a candidate for office at a special election to determine whether a public officer will be recalled or on behalf of a group of such candidates shall list each expenditure made on behalf of the candidate, the group of candidates or a candidate in the group of candidates in excess of \$100 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the committee ~~or~~ ~~political party~~ ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

7. The reports must be filed with:

(a) If the candidate is elected from one county, the county clerk of that county;

(b) If the candidate is elected from one city, the city clerk of that city; or

(c) If the candidate is elected from more than one county or city, the Secretary of State.

8. If an expenditure is made on behalf of a group of candidates, the reports must be itemized by the candidate. A person may mail or transmit the report to the appropriate officer by regular mail, certified mail, facsimile

machine or electronic means. A report shall be deemed to be filed with the officer ~~if~~:

- (a) ~~On the date that it was mailed if it was sent by certified mail; or~~
- (b) ~~On~~ **on** the date that it was received by the officer ~~if~~, **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

10. Every person, committee ~~if~~ **or** political party ~~for business entity~~ described in subsection 1 shall file a report required by this section even if the person, committee ~~if~~ **or** political party ~~for business entity~~ receives no contributions.

Sec. 48. NRS 294A.220 is hereby amended to read as follows:

294A.220 1. Except as otherwise provided in NRS 294A.283, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall, not later than January 15 of each year that the provisions of this subsection apply to the person or group of persons, for the period from January 1 of the previous year through December 31 of the previous year, report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury. The provisions of this subsection apply to the person ~~if~~ **or** group of persons : ~~for business entity.~~

(a) Each year in which:

(1) An election or city election is held for a question for which the person ~~if~~ **or** group of persons ~~for business entity~~ advocates passage or defeat; or

(2) A person ~~if~~ **or** group of persons ~~for business entity~~ receives or expends money in excess of \$10,000 to advocate the passage or defeat of a question or group of questions on the ballot at a primary election, primary city election, general election or general city election; and

(b) The year after each year described in paragraph (a).

2. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a

group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. If a question is on the ballot at a general election or general city election held on or after January 1 and before the July 1 immediately following that January 1, every person or group of persons organized formally or informally ~~[-, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~[-]~~ **or** group of persons ~~for business entity]~~ described in this subsection shall, not later than:

(a) ~~[-Seven]~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~[-12]~~ **25** days before the primary election or primary city election;

(b) ~~[-Seven]~~ **Four** days before the ~~[-general]~~ **primary** election or ~~[-general]~~ **primary** city election, for the period from ~~[-11]~~ **24** days before the primary election or primary city election through ~~[-12]~~ **5** days before the ~~[-general]~~ **primary** election or ~~[-general]~~ **primary** city election; ~~[-and]~~

(c) ~~[-July 15 of the year of]~~ **Twenty-one days before** the general election or general city election, for the period from ~~[-11]~~ **4** days before the ~~[-general]~~ **primary** election or ~~[-general]~~ **primary** city election through ~~[-the June 30 immediately preceding that July 15,]~~ **25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

➔ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity]~~ under penalty of perjury.

3. If a question is on the ballot at a primary election or primary city election and the general election or general city election immediately following that primary election or primary city election is held on or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~[-, including a business entity,]~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. Except as otherwise provided in NRS 294A.283, if a question is on the ballot at a general election or general city election held on

or after July 1 and before the January 1 immediately following that July 1, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of the question or a group of questions that includes the question and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall comply with the requirements of this subsection. A person ~~or~~ group of persons ~~for business entity~~ described in this subsection shall, not later than:

(a) ~~Seven~~ **Twenty-one** days before the primary election or primary city election, for the period from the January 1 immediately preceding the primary election or primary city election through ~~12~~ **25** days before the primary election or primary city election; ~~and~~

(b) ~~Seven~~ **Four** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election, for the period from ~~11~~ **24** days before the primary election or primary city election through ~~12~~ **5** days before the ~~general~~ **primary** election or ~~general~~ **primary** city election ~~;~~ ;

(c) **Twenty-one days before the general election or general city election, for the period from 4 days before the primary election or primary city election through 25 days before the general election or general city election; and**

(d) **Four days before the general election or general city election, for the period from 24 days before the general election or general city election through 5 days before the general election or general city election,**

↪ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

4. Except as otherwise provided in subsection 5, every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election shall, not later than:

(a) Seven days before the special election, for the period from the date the question qualified for the ballot through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election,

↪ report each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. The form must be signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury.

5. Every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a question or group of questions on the ballot at a special election to determine whether a public officer will be recalled and who receives or expends money in an amount in excess of \$10,000 to advocate the passage or defeat of such question or group of questions shall list each expenditure made during the period on behalf of or against the question, the group of questions or a question in the group of questions on the ballot in excess of \$1,000 on the form designed and provided by the Secretary of State pursuant to NRS 294A.373 and signed by the person or a representative of the group ~~for business entity~~ under penalty of perjury, 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

6. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.

7. The reports required pursuant to this section must be filed with:

(a) If the question is submitted to the voters of one county, the county clerk of that county;

(b) If the question is submitted to the voters of one city, the city clerk of that city; or

(c) If the question is submitted to the voters of more than one county or city, the Secretary of State.

8. If an expenditure is made on behalf of a group of questions, the reports must be itemized by question or petition. A person may mail or transmit the report to the appropriate filing officer by regular mail, certified mail, facsimile machine or electronic means. A report shall be deemed to be filed with the filing officer ~~if~~:

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

~~(b) On~~ **on** the date that it was received by the filing officer ~~if~~ , **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

9. Each county clerk or city clerk who receives a report pursuant to this section shall file a copy of the report with the Secretary of State within 10 working days after receiving the report.

Sec. 49. NRS 294A.230 is hereby amended to read as follows:

294A.230 1. Each committee for political action shall, before it engages in any activity in this State, register with the Secretary of State on forms supplied by the Secretary of State.

2. The form must require:

- (a) The name of the committee;
- (b) The purpose for which it was organized;
- (c) The names, addresses and telephone numbers of its officers;
- (d) If the committee for political action is affiliated with any other organizations, the name, address and telephone number of each organization;
- (e) The name, address and telephone number of its registered agent; and
- (f) Any other information deemed necessary by the Secretary of State.

3. A committee for political action shall file with the Secretary of State an amended form for registration within 30 days after any change in the information contained in the form for registration.

4. The Secretary of State shall include on the Secretary of State's Internet website the information required pursuant to subsection 2.

5. *For purposes of the civil penalty that the Secretary of State may impose pursuant to NRS 294A.420 for violating the provisions of subsection 1, if a committee for political action fails to register with the Secretary of State pursuant to subsection 1, each time a committee for political action engages in any activity in this State constitutes a separate violation of subsection 1 for which the Secretary of State may impose a civil penalty.*

Sec. 50. NRS 294A.281 is hereby amended to read as follows:

294A.281 1. Each person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, before engaging in any such advocacy in this State, shall file a statement of organization with the Secretary of State as provided in subsection 2.

2. Each statement of organization must include:

- (a) The name of the person ~~or~~ group of persons ; ~~for business entity;~~
- (b) The purpose for which the person ~~or~~ group of persons ~~for business entity~~ is organized;
- (c) The names and addresses of any officers of the person ~~or~~ group of persons ; ~~for business entity;~~
- (d) If the person ~~or~~ group of persons ~~for business entity~~ is affiliated with or is retained by any other person ~~or~~ group ~~for business entity~~ for the purpose of advocating the passage or defeat of a constitutional amendment or statewide measure proposed by initiative or referendum, the name and address of each such other person ~~or~~ group ; ~~for business entity;~~ and
- (e) The name, address and telephone number of the registered agent of the person ~~or~~ group of persons . ~~for business entity.~~

3. A person ~~or~~ group of persons ~~for business entity~~ which has filed a statement of organization pursuant to this section shall file an amended statement with the Secretary of State within 30 days of any changes to the information required pursuant to subsection 2.

Sec. 51. NRS 294A.282 is hereby amended to read as follows:

294A.282 Each person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum shall appoint and keep within this State a registered agent, as provided in NRS 14.020, who must be a natural person who resides in this State.

Sec. 52. NRS 294A.283 is hereby amended to read as follows:

294A.283 1. Every person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, including, without limitation, the initiation or circulation thereof, and who receives or expends money in an amount in excess of \$10,000 for such advocacy shall, not later than the dates listed in subsection 2, report:

(a) Each campaign contribution in excess of \$1,000 received during each period described in subsection 2;

(b) Contributions received during each period described in subsection 2 from a contributor which cumulatively exceed \$1,000;

(c) Each expenditure in excess of \$1,000 the person ~~or~~ **or** group of persons ~~for business entity~~ makes during each period described in subsection 2; and

(d) The total amount of money the person ~~or~~ **or** group of persons ~~for business entity~~ has at the beginning of each period described in subsection 2, accounting for all contributions received and expenditures made during each previous period.

2. Every person ~~or~~ **or** group of persons ~~for business entity~~ required to report pursuant to subsection 1 shall file that report with the Secretary of State:

(a) For the period beginning on the first day a copy of the petition may be filed with the Secretary of State before it is circulated for signatures pursuant to Section 1 or Section 2 of Article 19 of the Nevada Constitution, as applicable, and ending on the following March 31, not later than April 15;

(b) For the period beginning on April 1 and ending on July 31, not later than August 15;

(c) For the period beginning on August 1 and ending on September 30, not later than October 15; and

(d) For the period beginning on October 1 and ending on December 31, not later than the following January 15.

3. The name and address of the contributor and the date on which the contribution was received must be included on each report for each contribution in excess of \$1,000 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the applicable reporting period.

4. Expenditures made within the State or made elsewhere but for use within the State, including expenditures made outside the State for printing,

television and radio broadcasting or other production of the media, must be included in each report.

5. Each report required pursuant to this section must:

(a) Be on the form designed and provided by the Secretary of State pursuant to NRS 294A.373; and

(b) Be signed by the person or a representative of the group of persons ~~for business entity~~ under penalty of perjury.

6. A person ~~or~~ group of persons ~~for business entity~~ may mail or transmit each report to the Secretary of State by certified mail, regular mail, facsimile machine or electronic means or may deliver the report personally.

7. A report shall be deemed to be filed with the Secretary of State ~~if~~:

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

(b) ~~On~~ **on** the date that it was received by the Secretary of State ~~if~~ , **regardless of whether** the report was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

Sec. 53. NRS 294A.284 is hereby amended to read as follows:

294A.284 1. Each person or group of persons organized formally or informally ~~including a business entity,~~ who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum that provides compensation to persons to circulate petitions shall report to the Secretary of State:

(a) The number of persons to whom such compensation is provided;

(b) The least amount of such compensation that is provided and the greatest amount of such compensation that is provided; and

(c) The total amount of compensation provided.

2. The Secretary of State shall make public any information received pursuant to this section.

Sec. 54. NRS 294A.286 is hereby amended to read as follows:

294A.286 1. **Any candidate or public officer may establish a legal defense fund.** A person who administers a legal defense fund shall:

(a) Within 5 days after the creation of the legal defense fund, notify the Secretary of State of the creation of the fund on a form provided by the Secretary of State; and

(b) For the same period covered by the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360, report any contribution received by or expenditure made from the legal defense fund.

2. The reports required by paragraph (b) of subsection 1 must be submitted on the form designed and provided by the Secretary of State pursuant to NRS 294A.373. Each form must be signed by the administrator of the legal defense fund under penalty of perjury.

3. The reports required by paragraph (b) of subsection 1 must be filed in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360.

4. Notwithstanding the provisions of this section, a candidate or public officer may use campaign contributions to pay for any legal expenses that the candidate or public officer incurs in relation to a campaign or serving in public office without establishing a legal defense fund. Any such candidate or public officer shall report any expenditure of campaign contributions to pay for legal expenses in the same manner and at the same time as the report filed pursuant to NRS 294A.120, 294A.200 or 294A.360.

Sec. 55. NRS 294A.347 is hereby amended to read as follows:

294A.347 1. A statement which:

(a) Is published within 60 days before a general election, general city election or special election or 30 days before a primary election or primary city election;

(b) Expressly advocates the election or defeat of a clearly identified candidate for a state or local office; and

(c) Is published by a person who receives compensation from the candidate, an opponent of the candidate, or a person, party ~~or~~ committee ~~for business entity~~ required to report expenditures pursuant to NRS 294A.210 ~~or section 38 of this act~~,

↪ must contain a disclosure of the fact that the person receives compensation pursuant to paragraph (c) and the name of the person, party ~~or~~ committee ~~for business entity~~ providing that compensation.

2. A statement which:

(a) Is published by a candidate within 60 days before a general election, general city election or special election or 30 days before a primary election or primary city election; and

(b) Contains the name of the candidate,

↪ shall be deemed to comply with the provisions of this section.

3. As used in this section, “publish” means the act of:

(a) Printing, posting, broadcasting, mailing or otherwise disseminating; or

(b) Causing to be printed, posted, broadcasted, mailed or otherwise disseminated.

Sec. 56. NRS 294A.350 is hereby amended to read as follows:

294A.350 1. Every candidate for state, district, county, municipal or township office shall file the reports of campaign contributions and expenses required by NRS 294A.120, 294A.128, 294A.200 and 294A.360 and reports of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** required by NRS 294A.286, even though the candidate:

(a) Withdraws his or her candidacy;

(b) Receives no campaign contributions;

(c) Has no campaign expenses;

(d) Is removed from the ballot by court order; or

(e) Is the subject of a petition to recall and the special election is not held.

2. A candidate who withdraws his or her candidacy pursuant to NRS 293.202 may file simultaneously all the reports of campaign

contributions and expenses required by NRS 294A.120, 294A.128, 294A.200 and 294A.360 and the report of contributions received by and expenditures made from a legal defense fund *or used to pay legal expenses* required by NRS 294A.286, so long as each report is filed on or before the last day for filing the respective report pursuant to NRS 294A.120, 294A.200 or 294A.360.

Sec. 57. NRS 294A.360 is hereby amended to read as follows:

294A.360 1. Every candidate for city office at a primary city election or general city election shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than January 15 of each year, for the period from January 1 of the previous year through December 31 of the previous year. The provisions of this subsection apply to the candidate:

(a) Beginning the year of the general city election for that office through the year immediately preceding the next general city election for that office; and

(b) Each year immediately succeeding a calendar year during which the candidate disposes of contributions pursuant to NRS 294A.160.

2. Every candidate for city office at a primary city election or general city election, if the general city election for the office for which he or she is a candidate is held on or after January 1 and before the July 1 immediately following that January 1, shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary city election for that office, for the period from the January 1 immediately preceding the primary city election through ~~{12}~~ **25** days before the primary city election;

(b) ~~{Seven}~~ **Four** days before the ~~{general}~~ **primary** city election for that office, for the period from ~~{11}~~ **24** days before the primary city election through ~~{12}~~ **5** days before the ~~{general}~~ **primary** city election; ~~and~~

~~(c) July 15 of the year of~~

(c) Twenty-one days before the general city election for that office, for the period from ~~{11}~~ **4** days before the ~~{general}~~ **primary** city election through ~~{the June 30 of that year.}~~ **25 days before the general city election; and**

(d) Four days before the general city election for that office, for the period from 24 days before the general city election through 5 days before the general city election.

3. Every candidate for city office at a primary city election or general city election, if the general city election for the office for which he or she is a candidate is held on or after July 1 and before the January 1 immediately following that July 1, shall file the reports in the manner required by NRS 294A.120, 294A.128 and 294A.200 for other offices not later than:

(a) ~~{Seven}~~ **Twenty-one** days before the primary city election for that office, for the period from the January 1 immediately preceding the primary city election through ~~{12}~~ **25** days before the primary city election; ~~and~~

(b) ~~Seven~~ **Four** days before the general city election for that office, for the period from ~~11~~ **24** days before the primary city election through ~~12~~ **5** days before the ~~general~~ **primary** city election ~~1~~;

(c) **Twenty-one days before the general city election for that office, for the period from 4 days before the primary city election through 25 days before the general city election; and**

(d) **Four days before the general city election for that office, for the period from 24 days before the general city election through 5 days before the general city election.**

4. Except as otherwise provided in subsection 5, every candidate for city office at a special election shall so file those reports:

(a) Seven days before the special election, for the period from the candidate's nomination through 12 days before the special election; and

(b) Thirty days after the special election, for the remaining period through the special election.

5. Every candidate for city office at a special election to determine whether a public officer will be recalled shall so file those reports 30 days after:

(a) The special election, for the period from the filing of the notice of intent to circulate the petition for recall through the special election; or

(b) If the special election is not held because a district court determines that the petition for recall is legally insufficient pursuant to subsection 6 of NRS 306.040, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's decision.

Sec. 58. NRS 294A.365 is hereby amended to read as follows:

294A.365 1. Each report of expenditures required pursuant to NRS 294A.210, 294A.220, 294A.280 and 294A.283 must consist of a list of each expenditure in excess of \$100 or \$1,000, as is appropriate, that was made during the periods for reporting. Each report of expenses required pursuant to NRS 294A.125 and 294A.200 must consist of a list of each expense in excess of \$100 that was incurred during the periods for reporting. The list in each report must state the category and amount of the expense or expenditure and the date on which the expense was incurred or the expenditure was made.

2. The categories of expense or expenditure for use on the report of expenses or expenditures are:

- (a) Office expenses;
- (b) Expenses related to volunteers;
- (c) Expenses related to travel;
- (d) Expenses related to advertising;
- (e) Expenses related to paid staff;
- (f) Expenses related to consultants;
- (g) Expenses related to polling;
- (h) Expenses related to special events;
- (i) **Expenses related to a legal defense fund;**

(j) Except as otherwise provided in NRS 294A.362, goods and services provided in kind for which money would otherwise have been paid; and

~~[(j)]~~ (k) Other miscellaneous expenses.

3. Each report of expenses or expenditures described in subsection 1 must list the disposition of any unspent campaign contributions using the categories set forth in subsection 2 of NRS 294A.160.

Sec. 59. NRS 294A.373 is hereby amended to read as follows:

294A.373 1. The Secretary of State shall design a single form to be used for all reports of campaign contributions and expenses or expenditures that are required to be filed pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283, 294A.360 and 294A.362 **and section 38 of this act** and reports of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** that are required to be filed pursuant to NRS 294A.286.

2. The form designed by the Secretary of State pursuant to this section must only request information specifically required by statute.

3. Upon request, the Secretary of State shall provide a copy of the form designed pursuant to this section to each person, committee, political party ~~[-]~~ **and** group ~~and business entity~~ that is required to file a report described in subsection 1.

4. The Secretary of State must obtain the advice and consent of the Legislative Commission before providing a copy of a form designed or revised by the Secretary of State pursuant to this section to a person, committee, political party ~~[-]~~ **or** group ~~for business entity~~ that is required to use the form.

Sec. 60. NRS 294A.382 is hereby amended to read as follows:

294A.382 The Secretary of State shall not request or require a candidate, person, group of persons, committee ~~[-]~~ **or** political party ~~for business entity~~ to list each of the expenditures or campaign expenses of \$100 or less on a form designed and provided pursuant to NRS 294A.373.

Sec. 61. NRS 294A.390 is hereby amended to read as follows:

294A.390 The officer from whom a candidate or entity requests a form for:

1. A declaration of candidacy;
2. An acceptance of candidacy;
3. The registration of a committee for political action pursuant to NRS 294A.230 ~~[-]~~ **or** a committee for the recall of a public officer pursuant to NRS 294A.250 ; ~~for a business entity that wishes to engage in certain political activity pursuant to NRS 294A.377;~~

4. The reporting of the creation of a legal defense fund pursuant to NRS 294A.286; or

5. The reporting of campaign contributions, expenses or expenditures pursuant to NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 or 294A.360 **or**

section 38 of this act and the reporting of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** pursuant to NRS 294A.286,

➡ shall furnish the candidate with the necessary forms for reporting and copies of the regulations adopted by the Secretary of State pursuant to this chapter. An explanation of the applicable provisions of NRS 294A.100, 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 or 294A.360 **or section 37 or 38 of this act** relating to the making, accepting or reporting of campaign contributions, expenses or expenditures and the penalties for a violation of those provisions as set forth in NRS 294A.100 or 294A.420, and an explanation of NRS 294A.286 and 294A.287 relating to the accepting or reporting of contributions received by and expenditures made from a legal defense fund **or used to pay legal expenses** and the penalties for a violation of those provisions as set forth in NRS 294A.287 and 294A.420, must be developed by the Secretary of State and provided upon request. The candidate or entity shall acknowledge receipt of the material.

Sec. 62. NRS 294A.400 is hereby amended to read as follows:

294A.400 The Secretary of State shall, within 30 days after receipt of the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.283 and 294A.286, **and sections 37 and 38 of this act**, prepare and make available for public inspection a compilation of:

1. The total campaign contributions, the contributions which are in excess of \$100 and the total campaign expenses of each of the candidates from whom reports of those contributions and expenses are required.

2. The total amount of loans to a candidate guaranteed by a third party, the total amount of loans made to a candidate that have been forgiven and the total amount of written commitments for contributions received by a candidate.

3. The contributions made to a committee for the recall of a public officer in excess of \$100.

4. The expenditures exceeding \$100 made by a:

(a) Person on behalf of a candidate other than the person.
(b) Group of persons ~~for business entity~~ advocating the election or defeat of a candidate.

(c) Committee for the recall of a public officer.

5. The contributions in excess of \$100 made to:

(a) A person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group.

(b) A committee for political action, political party ~~H~~ **or** committee sponsored by a political party ~~for business entity~~ which makes an expenditure on behalf of a candidate or group of candidates.

6. The contributions in excess of \$1,000 made to and the expenditures exceeding \$1,000 made by a:

(a) Person or group of persons organized formally or informally ~~including a business entity~~ who advocates the passage or defeat of a question or group of questions on the ballot and who receives or expends money in an amount in excess of \$10,000 for such advocacy, except as otherwise provided in paragraph (b).

(b) Person or group of persons organized formally or informally ~~including a business entity~~, who advocates the passage or defeat of a constitutional amendment or statewide measure proposed by an initiative or referendum, including, without limitation, the initiation or circulation thereof, and who receives or expends money in an amount in excess of \$10,000 for such advocacy.

7. *The expenditures exceeding \$5,000 made by:*

(a) A person who is not under the direction or control of a candidate or group of candidates or of any person involved in the campaign of the candidate or group who makes an expenditure on behalf of the candidate or group which is not solicited or approved by the candidate or group.

(b) A committee for political action, political party or committee sponsored by a political party which makes an expenditure on behalf of a candidate or group of candidates.

8. The total contributions received by and expenditures made from a legal defense fund ~~or~~ **or used to pay legal expenses.**

Sec. 63. NRS 294A.420 is hereby amended to read as follows:

294A.420 1. If the Secretary of State receives information that a person or entity that is subject to the provisions of NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, ~~294A.227,~~ 294A.230, 294A.270, 294A.280, 294A.283, 294A.286 or 294A.360 **or section 37 or 38 of this act** has not filed a report or form for registration pursuant to the applicable provisions of those sections, the Secretary of State may, after giving notice to that person or entity, cause the appropriate proceedings to be instituted in the First Judicial District Court.

2. Except as otherwise provided in this section, a person or entity that violates an applicable provision of ~~NRS 294A.112, 294A.120, 294A.128, 294A.130, 294A.140, 294A.150, 294A.160, 294A.200, 294A.210, 294A.220, 294A.227, 294A.230, 294A.270, 294A.280, 294A.283, 294A.286, 294A.300, 294A.310 or 294A.360~~ **this chapter** is subject to a civil penalty of not more than \$5,000 for each violation and payment of court costs and attorney's fees. The civil penalty must be recovered in a civil action brought in the name of the State of Nevada by the Secretary of State in the First Judicial District Court and deposited by the Secretary of State for credit to the State General Fund in the bank designated by the State Treasurer.

3. If a civil penalty is imposed because a person or entity has reported its contributions, expenses or expenditures after the date the report is due,

except as otherwise provided in this subsection, the amount of the civil penalty is:

(a) If the report is not more than 7 days late, \$25 for each day the report is late.

(b) If the report is more than 7 days late but not more than 15 days late, \$50 for each day the report is late.

(c) If the report is more than 15 days late, \$100 for each day the report is late.

➔ A civil penalty imposed pursuant to this subsection against a public officer who by law is not entitled to receive compensation for his or her office or a candidate for such an office must not exceed a total of \$100 if the public officer or candidate received no contributions and made no expenditures during the relevant reporting periods.

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

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

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

Sec. 64. NRS 295.012 is hereby amended to read as follows:

295.012 A petition for initiative **or referendum** that proposes a ~~statute, an amendment to a statute or an amendment to the Constitution~~ **constitutional amendment or statewide measure** must be proposed by a number of registered voters from each petition district in the State that is at least equal to 10 percent of the voters who voted in that petition district at the last preceding general election.

Sec. 65. NRS 295.0575 is hereby amended to read as follows:

295.0575 A petition for a constitutional amendment or a petition for a statewide measure proposed by an initiative or referendum may consist of more than one document. Each document of a petition must have attached to it when submitted an affidavit executed by the circulator thereof stating:

1. That the circulator personally circulated the document;
2. The number of signatures thereon;
3. That all the signatures were affixed in the circulator's presence; ~~and~~
4. That each signer had an opportunity before signing to read the full text of the act or resolution on which the initiative or referendum is demanded ~~to~~;

5. **The address and contact information of the circulator; and**

6. **That the circulator is 18 years of age or older.**

Sec. 66. NRS 281A.610 is hereby amended to read as follows:

281A.610 1. Except as otherwise provided in subsection 2, each candidate for public office who will be entitled to receive annual compensation of \$6,000 or more for serving in the office that the candidate is

seeking and, except as otherwise provided in subsection 3, each public officer who was elected to the office for which the public officer is serving shall file with the Secretary of State a statement of financial disclosure, as follows:

(a) A candidate for nomination, election or reelection to public office shall file a statement of financial disclosure no later than the 10th day after the last day to qualify as a candidate for the office. The statement must disclose the required information for the full calendar year immediately preceding the date of filing and for the period between January 1 of the year in which the election for the office will be held and the last day to qualify as a candidate for the office. The filing of a statement of financial disclosure for a portion of a calendar year pursuant to this paragraph does not relieve the candidate of the requirement of filing a statement of financial disclosure for the full calendar year pursuant to paragraph (b) in the immediately succeeding year, if the candidate is elected to the office.

(b) Each public officer shall file a statement of financial disclosure :

(1) If the public officer is a Legislator, on or before January 15 of each year of the term, including the year the term expires, and of the year immediately following the year in which the Legislator's term expires.

(2) If the public officer is not a Legislator, on or before January 15 of each year of the term, including the year the term expires.

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

2. Except as otherwise provided in this subsection, if a candidate for public office is serving in a public office for which the candidate is required to file a statement pursuant to paragraph (b) of subsection 1 or subsection 1 of NRS 281A.600, the candidate need not file the statement required by subsection 1 for the full calendar year for which the candidate previously filed a statement. The provisions of this subsection do not relieve the candidate of the requirement pursuant to paragraph (a) of subsection 1 to file a statement of financial disclosure for the period between January 1 of the year in which the election for the office will be held and the last day to qualify as a candidate for the office.

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

4. A candidate for judicial office or a judicial officer shall file a statement of financial disclosure pursuant to the requirements of Canon 4I of the Nevada Code of Judicial Conduct. Such a statement of financial disclosure must include, without limitation, all information required to be included in a statement of financial disclosure pursuant to NRS 281A.620.

5. A statement of financial disclosure shall be deemed to be filed with the Secretary of State if:

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

~~(b) On~~ **on** the date that it was received by the Secretary of State ~~if~~ , **regardless of whether** the statement was sent by regular **mail or certified** mail, transmitted by facsimile machine or electronic means, or delivered personally.

6. The statement of financial disclosure filed pursuant to this section must be filed on the form prescribed by the Commission pursuant to NRS 281A.290.

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

Sec. 67. Section 5.015 of the Charter of the City of Carlin, being chapter 344, Statutes of Nevada 1971, as added by chapter 493, Statutes of Nevada 2009, at page 2937, is hereby amended to read as follows:

Sec. 5.015 Filing of declarations of candidacy.

1. A candidate to be voted for at the general election must file a declaration of candidacy with the City Clerk ~~not less than 5 days or more than 15 days before the day of the primary election held pursuant to the provisions of NRS 293.175.~~ **as provided by the election laws of this State.** The City Clerk shall charge and collect from the candidate and the candidate must pay to the City Clerk, at the time of filing the declaration of candidacy, a filing fee in an amount fixed by the City Council by ordinance or resolution.

2. If, due to the death or ineligibility of or withdrawal by a candidate, a vacancy occurs in a nomination after the close of filing and any applicable period for withdrawal of candidacy, the candidate's name must remain on the ballot for the general election and, if elected, a vacancy exists.

Sec. 68. Section 5.015 of the Charter of the City of Wells, being chapter 275, Statutes of Nevada 1971, as added by chapter 493, Statutes of Nevada 2009, at page 2938, is hereby amended to read as follows:

Sec. 5.015 Filing of declarations of candidacy.

1. A candidate to be voted for at the general election must file a declaration of candidacy with the City Clerk ~~not less than 5 days or more than 15 days before the day of the primary election held pursuant to the provisions of NRS 293.175.~~ **as provided by the election laws of this State.** The City Clerk shall charge and collect from the candidate and the candidate must pay to the City Clerk, at the time of filing the declaration of candidacy, a filing fee in an amount fixed by the City Council by ordinance or resolution.

2. If, due to the death or ineligibility of or withdrawal by a candidate, a vacancy occurs in a nomination after the close of filing and any applicable period for withdrawal of candidacy, the candidate's name must remain on the ballot for the general election and, if elected, a vacancy exists.

Sec. 69. NRS 294A.003 and 294A.227 are hereby repealed.

TEXT OF REPEALED SECTIONS

294A.003 “Business entity” defined. “Business entity” means any corporation, company or other form of business organization. The term does not include a business entity for which:

1. The owners, investors, officers, directors, members or other organizers of the entity are disclosed in any public record; or
2. The business purpose of the entity is disclosed in a public record that clearly identifies a specific business in a manner that is verifiable.

294A.227 Registration; publication of information relating to registration.

1. A business entity shall register with the Secretary of State by submitting the completed form described in subsection 2 before it engages in any of the following activities in this State:

(a) Soliciting or receiving contributions from any other person, group or entity;

(b) Making contributions to candidates or other persons; or

(c) Making expenditures,

↪ designed to affect the outcome of any primary election, primary city election, general election, general city election, special election or question on the ballot.

2. The form must require:

(a) The name of the business entity;

(b) The purpose for which it was organized;

(c) The names and addresses of each owner, investor, officer, director, member or other organizer of the entity;

(d) If the business entity is affiliated with any other organization, the name, address and telephone number of each such organization;

(e) The name, address and telephone number of its registered agent, if any;

(f) A designation of the activities listed in subsection 1 in which it intends to engage; and

(g) Any other information deemed necessary by the Secretary of State.

3. The Secretary of State shall, in a timely manner, include on the portion of the Secretary of State’s Internet website that is devoted to information concerning elections and campaigns the information required pursuant to subsection 2.

Assemblyman Conklin moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 471.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 536.

AN ACT relating to local government financial administration; ~~prohibiting the~~ **limiting the authority of a** governing body of a local government ~~from loaning or transferring~~ **to loan or transfer** money from an enterprise fund ~~under certain circumstances;~~ **and to increase fees imposed for the purpose of an enterprise fund; requiring certain reports from the Committee on Local Government Finance;** providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Local Government Budget and Finance Act authorizes the governing body of a local government to establish certain funds, including an enterprise fund to account for operations which are financed and conducted in a manner similar to the operations of a private business, where the intent of the governing body is to have the expenses of providing goods or services to the general public financed through charges imposed on users. (NRS 354.470-354.626) **Section 1** of this bill ~~prohibits~~ **allows** a governing body of a local government ~~from loaning or transferring any money from an enterprise fund, any money collected from fees imposed for the purpose for which an enterprise fund was created or any income or interest earned on money in an enterprise fund to: (1) any fund that is unrelated to the purpose for which the enterprise fund was created; or (2) the general fund of a local government.~~ **to loan or transfer money from an enterprise fund only if the loan or transfer is made: (1) as a medium-term obligation in compliance with certain requirements; (2) to pay the expenses of the pertinent enterprise; (3) for a cost allocation for employees, equipment or other resources; or (4) upon the dissolution of the fund. In addition, section 1 allows such a governing body to increase the amount of the fees imposed for the purpose for which an enterprise fund was created only if the Committee on Local Government Finance approves that increase or the fees are imposed on certain public utilities for a right-of-way over a public area. Lastly, section 1 requires the Committee to submit biennial reports to the Legislature regarding compliance with the requirements of that section.** **Section 9** of this bill provides that any officer or employee of a local government who violates **section 1** is guilty of a misdemeanor and upon conviction ceases to hold his or her office or employment.

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

Section 1. Chapter 354 of NRS is hereby amended by adding thereto a new section to read as follows:

~~Except as otherwise provided in subsection 5 of NRS 354.612, the~~

1. The governing body of a local government ~~shall not~~ may, on or after July 1, 2011, loan or transfer ~~any~~ money from an enterprise fund, ~~any~~ money collected from fees imposed for the purpose for which an enterprise fund was created or any income or interest earned on money in an enterprise fund ~~to~~

~~1. Any fund that is unrelated to the purpose for which the enterprise fund was created; or~~

~~2. The general fund of the local government which created the enterprise fund or of any other local government.} only if the loan or transfer is made:~~

(a) In accordance with a medium-term obligation issued by the recipient in compliance with the provisions of chapter 350 of NRS and:

(1) The money is repaid in full to the enterprise fund within 5 years;

or

(2) If the recipient will be unable to repay the money in full to the enterprise fund within 5 years, the recipient notifies the Committee on Local Government Finance of:

(I) The total amount of the loan or transfer;

(II) The purpose of the loan or transfer;

(III) The date of the loan or transfer; and

(IV) The estimated date that the money will be repaid in full to the enterprise fund;

(b) To pay the expenses related to the purpose for which the enterprise fund was created;

(c) For a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund; or

(d) Upon the dissolution of the enterprise fund.

2. Except as otherwise provided in subsection 3, the governing body of a local government may increase the amount of any fee imposed for the purpose for which an enterprise fund was created only if the Committee on Local Government Finance approves the increase. The Committee may approve such an increase if it determines that:

(a) The increase is not prohibited by law;

(b) The increase is necessary for the continuation or expansion of the purpose for which the enterprise fund was created; and

(c) The governing body is not using any money from the enterprise fund, any money collected from fees imposed for the purpose for which the enterprise fund was created or any income or interest earned on money in the enterprise fund for any purpose other than that for which the enterprise fund was created, except to repay any money loaned or transferred to the enterprise fund from another fund of the local government or of another local government to provide working capital for the enterprise fund.

3. The provisions of subsection 2 do not limit the authority of the governing body of a local government to increase the amount of any fee imposed upon a public utility in compliance with the provisions of NRS 354.59881 to 354.59889, inclusive, for a right-of-way over any public area if the public utility is billed separately for that fee.

4. The Department of Taxation shall provide to the Committee on Local Government Finance a copy of each report submitted to the

Department on or after July 1, 2011, by a county or city pursuant to NRS 354.6015. The Committee shall:

(a) Review each report to determine whether the governing body of the local government is in compliance with the provisions of this section; and

(b) On or before January 15 of each odd-numbered year, submit a report of its findings to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.

5. As used in this section, “public utility” has the meaning ascribed to it in NRS 354.598817.

Sec. 2. NRS 354.470 is hereby amended to read as follows:

354.470 NRS 354.470 to 354.626, inclusive, **and section 1 of this act** may be cited as the Local Government Budget and Finance Act.

Sec. 3. NRS 354.472 is hereby amended to read as follows:

354.472 1. The purposes of NRS 354.470 to 354.626, inclusive, **and section 1 of this act** are:

(a) To establish standard methods and procedures for the preparation, presentation, adoption and administration of budgets of all local governments.

(b) To enable local governments to make financial plans for programs of both current and capital expenditures and to formulate fiscal policies to accomplish these programs.

(c) To provide for estimation and determination of revenues, expenditures and tax levies.

(d) To provide for the control of revenues, expenditures and expenses in order to promote prudence and efficiency in the expenditure of public money.

(e) To provide specific methods enabling the public, taxpayers and investors to be apprised of the financial preparations, plans, policies and administration of all local governments.

2. For the accomplishment of these purposes, the provisions of NRS 354.470 to 354.626, inclusive, **and section 1 of this act** must be broadly and liberally construed.

Sec. 4. NRS 354.474 is hereby amended to read as follows:

354.474 1. Except as otherwise provided in subsections 2 and 3, the provisions of NRS 354.470 to 354.626, inclusive, **and section 1 of this act** apply to all local governments. For the purpose of NRS 354.470 to 354.626, inclusive ~~to~~, **and section 1 of this act:**

(a) “Local government” means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, 309, 318 and 379 of NRS, NRS 450.550 to 450.750, inclusive, and chapters 474, 541, 543 and 555 of NRS, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

(b) "Local government" does not include the Nevada Rural Housing Authority.

2. An irrigation district organized pursuant to chapter 539 of NRS shall fix rates and levy assessments as provided in NRS 539.667 to 539.683, inclusive. The levy of such assessments and the posting and publication of claims and annual financial statements as required by chapter 539 of NRS shall be deemed compliance with the budgeting, filing and publication requirements of NRS 354.470 to 354.626, inclusive, **and section 1 of this act**, but any such irrigation district which levies an ad valorem tax shall comply with the filing and publication requirements of NRS 354.470 to 354.626, inclusive, **and section 1 of this act** in addition to the requirements of chapter 539 of NRS.

3. An electric light and power district created pursuant to chapter 318 of NRS shall be deemed to have fulfilled the requirements of NRS 354.470 to 354.626, inclusive, **and section 1 of this act** for a year in which the district does not issue bonds or levy an assessment if the district files with the Department of Taxation a copy of all documents relating to its budget for that year which the district submitted to the Rural Utilities Service of the United States Department of Agriculture.

Sec. 5. NRS 354.476 is hereby amended to read as follows:

354.476 As used in NRS 354.470 to 354.626, inclusive, **and section 1 of this act**, unless the context otherwise requires, the words and terms defined in NRS 354.479 to 354.578, inclusive, have the meanings ascribed to them in those sections.

Sec. 6. NRS 354.524 is hereby amended to read as follows:

354.524 "Final budget" means the budget which has been adopted by a local governing body or adopted by default as defined by NRS 354.470 to 354.626, inclusive, **and section 1 of this act** and which has been determined by the Department of Taxation to be in compliance with applicable statutes and regulations.

Sec. 7. NRS 354.594 is hereby amended to read as follows:

354.594 The Committee on Local Government Finance shall determine and advise local government officers of regulations, procedures and report forms for compliance with NRS 354.470 to 354.626, inclusive ~~1~~ , **and section 1 of this act**.

Sec. 8. NRS 354.6241 is hereby amended to read as follows:

354.6241 1. The statement required by paragraph (a) of subsection 5 of NRS 354.624 must indicate for each fund set forth in that paragraph:

(a) Whether the fund is being used in accordance with the provisions of this chapter.

(b) Whether the fund is being administered in accordance with generally accepted accounting procedures.

(c) Whether the reserve in the fund is limited to an amount that is reasonable and necessary to carry out the purposes of the fund.

(d) The sources of revenues available for the fund during the fiscal year, including transfers from any other funds.

(e) The statutory and regulatory requirements applicable to the fund.

(f) The balance and retained earnings of the fund.

2. Except as otherwise provided in NRS 354.59891 ~~§~~ **and section 1 of this act**, to the extent that the reserve in any fund set forth in paragraph (a) of subsection 5 of NRS 354.624 exceeds the amount that is reasonable and necessary to carry out the purposes for which the fund was created, the reserve may be expended by the local government pursuant to the provisions of chapter 288 of NRS.

Sec. 9. NRS 354.626 is hereby amended to read as follows:

354.626 1. No governing body or member thereof, officer, office, department or agency may, during any fiscal year, expend or contract to expend any money or incur any liability, or enter into any contract which by its terms involves the expenditure of money, in excess of the amounts appropriated for that function, other than bond repayments, medium-term obligation repayments and any other long-term contract expressly authorized by law. Any officer or employee of a local government who willfully violates NRS 354.470 to 354.626, inclusive, **and section 1 of this act** is guilty of a misdemeanor and upon conviction thereof ceases to hold his or her office or employment. Prosecution for any violation of this section may be conducted by the Attorney General or, in the case of incorporated cities, school districts or special districts, by the district attorney.

2. Without limiting the generality of the exceptions contained in subsection 1, the provisions of this section specifically do not apply to:

(a) Purchase of coverage and professional services directly related to a program of insurance which require an audit at the end of the term thereof.

(b) Long-term cooperative agreements as authorized by chapter 277 of NRS.

(c) Long-term contracts in connection with planning and zoning as authorized by NRS 278.010 to 278.630, inclusive.

(d) Long-term contracts for the purchase of utility service such as, but not limited to, heat, light, sewerage, power, water and telephone service.

(e) Contracts between a local government and an employee covering professional services to be performed within 24 months following the date of such contract or contracts entered into between local government employers and employee organizations.

(f) Contracts between a local government and any person for the construction or completion of public works, money for which has been or will be provided by the proceeds of a sale of bonds, medium-term obligations or an installment-purchase agreement and that are entered into by the local government after:

(1) Any election required for the approval of the bonds or installment-purchase agreement has been held;

(2) Any approvals by any other governmental entity required to be obtained before the bonds, medium-term obligations or installment-purchase agreement can be issued have been obtained; and

(3) The ordinance or resolution that specifies each of the terms of the bonds, medium-term obligations or installment-purchase agreement, except those terms that are set forth in subsection 2 of NRS 350.165, has been adopted.

➔ Neither the fund balance of a governmental fund nor the equity balance in any proprietary fund may be used unless appropriated in a manner provided by law.

(g) Contracts which are entered into by a local government and delivered to any person solely for the purpose of acquiring supplies, services and equipment necessarily ordered in the current fiscal year for use in an ensuing fiscal year and which, under the method of accounting adopted by the local government, will be charged against an appropriation of a subsequent fiscal year. Purchase orders evidencing such contracts are public records available for inspection by any person on demand.

(h) Long-term contracts for the furnishing of television or FM radio broadcast translator signals as authorized by NRS 269.127.

(i) The receipt and proper expenditure of money received pursuant to a grant awarded by an agency of the Federal Government.

(j) The incurrence of obligations beyond the current fiscal year under a lease or contract for installment purchase which contains a provision that the obligation incurred thereby is extinguished by the failure of the governing body to appropriate money for the ensuing fiscal year for the payment of the amounts then due.

(k) The receipt by a local government of increased revenue that:

(1) Was not anticipated in the preparation of the final budget of the local government; and

(2) Is required by statute to be remitted to another governmental entity.

(l) An agreement authorized pursuant to NRS 277A.370.

Sec. 10. Section 3.130 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, at page 1409, is hereby amended to read as follows:

Sec. 3.130 Department of Financial Management: Director; qualifications; duties.

1. The City Council shall establish a Department of Financial Management, the head of which is the Director of Financial Management. The Department of Financial Management may also include such other qualified personnel as the City Manager determines are necessary properly to handle the financial matters of the City.

2. The Director of Financial Management:

(a) Must have knowledge of municipal accounting and taxation.

(b) Must have experience in budgeting and financial control.

(c) Has charge of the administration of the financial affairs of the City.

(d) Must provide a surety bond in the amount which is fixed by the City Council.

(e) Shall perform or cause to be performed on behalf of the City all of the duties and responsibilities which are imposed upon the City by NRS 354.470 to 354.626, inclusive ~~H~~, **and section 1 of this act.**

3. The City Council may establish by ordinance such regulations as it deems are necessary for the proper conduct of the Department of Financial Management and its officers and employees.

Sec. 11. This act becomes effective on July 1, 2011.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 182.

Bill read third time.

The following amendment was proposed by Assemblywoman Kirkpatrick:

Amendment No. 540.

AN ACT relating to inland ports; authorizing the creation of inland ports and inland port authorities under certain circumstances; requiring the Commission on Economic Development to develop a State Plan for Inland Ports; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 10-13 of this bill authorize, upon approval by the Commission on Economic Development, the creation of an inland port and an inland port authority by one or more boards of county commissioners of counties or one or more governing bodies of incorporated cities, or both. **Section 14** of this bill sets forth the membership of a board of directors of an inland port authority.

Sections 19-27 of this bill set forth powers and duties of an inland port authority.

Section 31 of this bill requires the Commission on Economic Development to: (1) develop a State Plan for Inland Ports; and (2) set forth the requirements for the creation of an inland port.

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

Section 1. Title 22 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 30, inclusive, of this act.

Sec. 2. *This chapter may be known and cited as the Inland Port Authority Act.*

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

Sec. 4. *“Authority” means an inland port authority created pursuant to this chapter.*

Sec. 5. *“Board” means the board of directors of an authority.*

Sec. 6. *“Commission” means the Commission on Economic Development created by NRS 231.030.*

Sec. 7. *“Inland port” means an area located away from traditional borders but having direct access to highway, railway and air transport facilities and, if applicable, intermodal facilities.*

Sec. 8. *“Participating entity” means the board of county commissioners of a county or the governing body of an incorporated city.*

Sec. 9. *The Legislature hereby finds and declares that the creation of an inland port:*

1. Is essential to:

(a) Develop and diversify the economy of the State;

(b) Provide employment opportunities for Nevadans; and

(c) Develop and expand transportation and commerce in this State.

2. Will facilitate commerce and economic development in this State through:

(a) Strategic investment in multimodal transportation assets; and

(b) Comprehensive planning, development, management and operation of facilities and supporting infrastructure for transportation, commercial processing and domestic and international trade.

Sec. 10. *1. Subject to the requirements set forth in this section and sections 11, 12 and 13 of this act, an inland port may be created only in a contiguous area that:*

(a) Includes at least two of the following:

(1) A municipally owned airport with a runway of at least 4,500 feet.

(2) A portion of a highway that is part of the National Highway System.

(3) Operating assets of at least one Class I railroad as classified by the Surface Transportation Board.

(b) Does not include any residential property.

2. All areas within the boundaries of an inland port must be within the boundaries of the county or counties and incorporated city or cities, as applicable, of the one or more participating entities which apply to the Commission pursuant to section 11 of this act for the creation of the inland port.

3. If the boundaries of an inland port will include a municipally owned airport as described in subparagraph (1) of paragraph (a) of subsection 1:

(a) The municipality that owns and operates the airport must be a participating entity; or

(b) If the municipality that owns and operates the airport is not a participating entity, the municipality, by ordinance, must approve of the inclusion of the airport within the boundaries of the inland port.

Sec. 11. 1. *One or more participating entities may apply to the Commission to create, operate and maintain an inland port and authority.*

2. *A participating entity is eligible to apply to the Commission pursuant to subsection 1 if the county or incorporated city, as applicable, of the participating entity is located in whole or in part within the proposed boundaries of the inland port.*

3. *The Commission may approve the creation of an inland port and authority if the proposed inland port and authority conform to the State Plan for Inland Ports developed by the Commission pursuant to section 31 of this act.*

Sec. 12. 1. *If the Commission approves the creation of an inland port and authority pursuant to section 11 of this act, each participating entity shall hold at least two public hearings to discuss the creation of the inland port and authority.*

2. *The participating entity shall give notice of the hearing by publication in a newspaper published in the county not later than 7 days before the hearing. The notice must include, without limitation:*

(a) The date, time and place for the hearing;

(b) The boundaries of the proposed inland port, including, without limitation, a map of the proposed inland port; and

(c) The powers of the proposed authority.

Sec. 13. *If a participating entity obtains approval of the Commission for the creation of an inland port and authority pursuant to section 11 of this act, the participating entity shall create the inland port and authority by ordinance. The ordinance must include, without limitation:*

1. A description of the boundaries of the inland port;

2. The location of the principal office of the authority;

3. The name of the inland port and authority; and

4. The number of directors who will compose the board of the authority pursuant to section 14 of this act.

Sec. 14. 1. *An authority must be governed by a board of directors with an odd-numbered membership set by the participating entity or entities. If there is more than one participating entity, the membership of the board of directors must be agreed to by all of the participating entities. The board of directors must be composed of:*

(a) One director appointed by each county that is a participating entity, if any;

(b) One director appointed by each city that is a participating entity, if any;

(c) If the authority includes a municipally owned airport described in subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act, one director appointed by:

(1) In a county whose population is 700,000 or more, the department of aviation of the county; or

(2) In a county whose population is less than 700,000, the governing body of the airport authority, if any, and if there is not an airport authority, by the governing body of the municipality which owns the airport; and

(d) Any other directors appointed in accordance with this section and as provided in an ordinance adopted by a participating entity pursuant to section 13 of this act.

2. Except as otherwise provided in this section, the directors described in subsection 1 must be appointed to terms of 4 years. The terms must be staggered in such a manner that, to the extent possible, the terms of one-half of the directors will expire every 2 years. The initial directors of the authority shall, at the first meeting of the board after their appointment, draw lots to determine which directors will initially serve terms of 2 years and which will serve terms of 4 years. A director may be reappointed.

3. A vacancy occurring during the term of a director must be filled by the appointing participating entity for the unexpired term as soon as is reasonably practicable.

Sec. 15. 1. A director of a board must reside within the boundaries of the participating entity that appoints him or her.

2. The following persons are not eligible to be appointed to a board:

(a) An elected official of any governmental entity.

(b) An employee of a participating entity.

Sec. 16. 1. A majority of the board constitutes a quorum for the transaction of business. If a vacancy exists on the board, a majority of directors serving on the board constitutes a quorum.

2. The board shall annually elect a chair and vice chair. The vice chair presides in the absence of the chair.

3. The board may elect any other officers that it considers appropriate.

4. Each director serves without compensation and, while engaged in the business of the board, is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 17. All meetings of an authority must be conducted in accordance with the provisions of chapter 241 of NRS.

Sec. 18. 1. The governing body of a county, city or other governmental entity may convey title or rights and easements to any real property to an authority to effect any purpose of the authority.

2. An authority may not exercise the power of eminent domain.

Sec. 19. 1. An authority may enter into an agreement that provides for the lease of rights-of-way, the granting of easements or the issuance of franchises, concessions, licenses or permits.

2. Except as otherwise provided in subsections 3 ~~and 4~~, 4 and 5, with the consent of any county, city or other governmental entity, an authority may:

(a) Use streets, alleys, roads, highways and other public ways of the county, city or other governmental entity; and

(b) Relocate, raise, reroute, change the grade of or alter, at the expense of the authority:

- (1) A street, alley, highway, road or railroad;
- (2) Electric lines and facilities;
- (3) Telegraph and telephone properties and facilities;
- (4) Pipelines and facilities;
- (5) Conduits and facilities; and
- (6) Other property,

↪ as necessary or useful in the construction, reconstruction, repair, maintenance and operation of the inland port.

3. An authority may not alter:

(a) A highway that is part of the state highway system without the consent of the Department of Transportation.

(b) A railroad without the consent of the railroad company.

(c) A municipally owned airport.

4. If an inland port includes a municipally owned airport:

(a) An authority may not interfere with or exercise any control over commercial air transportation operations or ~~commercial~~ airlines that operate at the airport; and

(b) The airport authority, department of aviation or other existing governing body that owns or manages the airport retains such ownership or management control.

5. Nothing in this section authorizes an authority to perform any action in violation of any requirement of federal law or condition to the receipt of federal money.

Sec. 20. An authority may not provide retail utility services or duplicate a service or facility of another governmental entity.

Sec. 21. An authority may enter into an agreement with any person, including, without limitation, the United States or any other governmental entity, for any purpose of the authority.

Sec. 22. An authority may act jointly with any other person, private or public, inside or outside this State or the United States, in the performance of any power or duty under this chapter.

Sec. 23. An authority may purchase and pay premiums for insurance of any type in an amount considered necessary or advisable by the board.

Sec. 24. An authority may market, advertise and promote the use of the inland port that the authority constructs, owns, operates, regulates or maintains.

Sec. 25. An action against an authority must be brought in the county in which the principal office of the authority is located.

Sec. 26. 1. An authority shall establish and maintain rates, rentals, fees, charges or other compensation that is commercially reasonable and nondiscriminatory for the use of the facilities owned, constructed, operated, regulated or maintained by the authority.

2. An authority may accept any public or private funding, grant or donation.

Sec. 27. Notwithstanding any provision of this chapter to the contrary, an authority may not develop, operate or maintain a toll road.

Sec. 28. 1. If a participating entity wishes to withdraw from an authority with regard to which there is more than one participating entity, the participating entity shall:

- (a) Adopt an ordinance providing for the withdrawal;
- (b) Obtain approval from the board; and
- (c) Give notice to the other participating entity or entities of its intent to withdraw,
↪ at least 6 months before the date on which the withdrawal would be effective.

2. Upon the withdrawal of a participating entity from the authority pursuant to subsection 1:

(a) The boundaries of the inland port must be adjusted by the other participating entity or entities to comply with the provisions of section 10 of this act; or

(b) The authority must be dissolved pursuant to subsection 3 as soon as practicable.

3. An authority is dissolved if:

- (a) The dissolution is approved by the board;
- (b) The governing body of each participating entity agrees to the dissolution;
- (c) All debts and other liabilities of the authority have been paid or discharged, or adequate provision has been made for the payment of all debts and other liabilities;
- (d) There are no suits pending against the authority, or adequate provision has been made for the satisfaction of any judgment, order or decree that may be entered against the authority in any pending suit; and
- (e) The authority has a commitment from another governmental entity to assume jurisdiction of all property of the authority.

Sec. 29. At the request of the Commission, an authority shall report to the Commission on all issues and activities necessary for the administration of the authority as well as issues and activities pertaining to compliance with any rules or regulations set forth by the Commission for the creation, operation or maintenance of inland ports pursuant to section 31 of this act.

Sec. 30. This chapter shall be liberally construed in order to facilitate economic development, trade and commerce in the State of Nevada.

Sec. 31. Chapter 231 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commission on Economic Development shall:

(a) Develop a State Plan for Inland Ports. The Plan must include, without limitation:

(1) A comprehensive, long-term general plan for the physical development of inland ports which promotes, encourages and aids in the development of the economic interests of this State.

(2) Requirements for the creation of inland ports for the purposes of the Inland Port Authority Act which affect economic and industrial development.

(b) Promote, encourage and aid in the development of inland ports in this State.

(c) Identify sources of financing to assist local governments in developing or expanding inland ports.

(d) Encourage and assist local governments in planning and preparing projects for inland ports.

(e) ~~Arrange by cooperative agreements with local governments to serve as the single agency in the State from which relocating or expanding businesses may obtain all required permits to operate in an inland port.~~

~~(f)~~ Promote close cooperation between local governments, other public agencies and private persons that have an interest in creating, operating or maintaining inland ports in the State.

2. As used in this section, “inland port” has the meaning ascribed to it in section 7 of this act.

Sec. 32. NRS 231.020 is hereby amended to read as follows:

231.020 As used in NRS 231.020 to 231.139, inclusive, **and section 31 of this act**, unless the context otherwise requires, “motion pictures” includes feature films, movies made for broadcast on television and programs made for broadcast on television in episodes.

Sec. 33. This act becomes effective on July 1, 2011.

Assemblywoman Benitez-Thompson moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Assembly Bill No. 77.

Bill read third time.

Roll call on Assembly Bill No. 77:

YEAS—41.

NAYS—Goedhart.

Assembly Bill No. 77 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Assembly Bill No. 299 be taken from the Chief Clerk’s desk and placed on the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 115.

Bill read third time.

Remarks by Assemblywoman Kirkpatrick.

Assemblyman Conklin moved that the following remarks be entered in the Journal.

Motion carried.

ASSEMBLYWOMAN KIRKPATRICK:

Thank you, Mr. Speaker. Because water is a very contentious issue within our state, we worked very hard to make sure our record was very clear within the Government Affairs Committee. We want to make sure this is very clear in the Journal today, as well. Today, I would like to read a very lengthy yet very important floor statement to ensure that the record is clear, for the third time.

Assembly Bill 115 extends the time within which the State Engineer may act on an application from one year to two years. The bill deletes the requirement for a protestant to approve the postponement of an application and adds additional grounds for postponement of an application. An application that has not been approved or rejected, or on which a hearing has not been held within seven years, must be republished and the protest period reopened.

The bill clarifies that applications remain active until either approved or rejected. Additional technical amendments include reordering certain existing sections of the statutes, eliminating unused definitions, and deleting redundant provisions. This measure states that the amendment only applies to applications filed on or after July 1, 2011.

Mr. Speaker, I just want to clarify, also, that we had a Supreme Court ruling. We worked with Great Basin Network to address the concerns that were raised by the Supreme Court ruling that we heard during the 2010 Special Session. This clarifies that we cleaned the record so that within the statute you can actually find, specifically, where things go. With that, I would urge your support.

Roll call on Assembly Bill No. 115:

YEAS—42.

NAYS—None.

Assembly Bill No. 115 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 136.

Bill read third time.

Roll call on Assembly Bill No. 136:

YEAS—33.

NAYS—Ellison, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, Stewart, Woodbury—9.

Assembly Bill No. 136 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 223.

Bill read third time.

Roll call on Assembly Bill No. 223:

YEAS—26.

NAYS—Ellison, Goedhart, Goicochea, Grady, Hambrick, Hammond, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Sherwood, Stewart, Woodbury—16.

Assembly Bill No. 223 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 240.

Bill read third time.

Remarks by Assemblywoman Smith.

Roll call on Assembly Bill No. 240:

YEAS—40.

NAYS—Aizley, Horne—2.

Assembly Bill No. 240 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 257.

Bill read third time.

Roll call on Assembly Bill No. 257:

YEAS—42.

NAYS—None.

Assembly Bill No. 257 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 265.

Bill read third time.

Roll call on Assembly Bill No. 265:

YEAS—35.

NAYS—Carlton, Grady, Hammond, Hardy, Kirner, Kite, McArthur—7.

Assembly Bill No. 265 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 299.

Bill read third time.

Roll call on Assembly Bill No. 299:

YEAS—29.

NAYS—Goedhart, Goicoechea, Grady, Hambrick, Hammond, Hansen, Hardy, Hickey,
Kirner, Kite, McArthur, Sherwood, Woodbury—13.

Assembly Bill No. 299 having received a two-thirds majority, Mr. Speaker
declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 304.

Bill read third time.

Roll call on Assembly Bill No. 304:

YEAS—37.

NAYS—Goedhart, Hansen, Hardy, Kirner, McArthur—5.

Assembly Bill No. 304 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 365.

Bill read third time.

Roll call on Assembly Bill No. 365:

YEAS—41.

NAYS—Hansen.

Assembly Bill No. 365 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 388.

Bill read third time.

Remarks by Assemblymen Sherwood and Ohrenschall.

Roll call on Assembly Bill No. 388:

YEAS—27.

NAYS—Ellison, Goedhart, Goicoechea, Grady, Hambrick, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Sherwood, Stewart, Woodbury—15.

Assembly Bill No. 388 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 412.

Bill read third time.

Roll call on Assembly Bill No. 412:

YEAS—38.

NAYS—Ellison, Goedhart, Hambrick, Kite—4.

Assembly Bill No. 412 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 422.

Bill read third time.

Roll call on Assembly Bill No. 422:

YEAS—42.

NAYS—None.

Assembly Bill No. 422 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 448.

Bill read third time.

Roll call on Assembly Bill No. 448:

YEAS—42.

NAYS—None.

Assembly Bill No. 448 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 452.

Bill read third time.

Roll call on Assembly Bill No. 452:

YEAS—27.

NAYS—Atkinson, Brooks, Carlton, Daly, Ellison, Goicoechea, Grady, Hambrick, Hansen, Hardy, Horne, Kite, McArthur, Neal, Sherwood—15.

Assembly Bill No. 452 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 473.

Bill read third time.

Roll call on Assembly Bill No. 473:

YEAS—42.

NAYS—None.

Assembly Bill No. 473 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 549.

Bill read third time.

Remarks by Assemblymen Kirkpatrick, Ocegüera, Goedhart, and Kirkpatrick.

Roll call on Assembly Bill No. 549:

YEAS—37.

NAYS—Goedhart, Hardy, Hickey, Munford, Segerblom—5.

Assembly Bill No. 549 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 31.

Bill read third time.

Roll call on Senate Bill No. 31:

YEAS—41.

NAYS—Hardy.

Senate Bill No. 31 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 161.

Bill read third time.

Roll call on Assembly Bill No. 161:

YEAS—42.

NAYS—None.

Assembly Bill No. 161 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Commerce and Labor, to which was referred Assembly Bill No. 363, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Commerce and Labor, to which was referred Assembly Bill No. 359, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Commerce and Labor, to which was referred Assembly Bill No. 382, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

KELVIN ATKINSON, *Chair*

Mr. Speaker:

Your Committee on Judiciary, to which was referred Assembly Bill No. 379, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM C. HORNE, *Chair*

Mr. Speaker:

Your Committee on Legislative Operations and Elections, to which was referred Assembly Bill No. 301, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

TICK SEGERBLOM, *Chair*

GENERAL FILE AND THIRD READING

Assembly Bill No. 301.

Bill read third time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 544.

AN ACT relating to civil rights; ~~providing for~~ **revising provisions governing** the restoration of the right to vote ~~and the right to serve on a jury in civil matters for any person who has completed a sentence for~~ **to persons who have been convicted of** a felony; ~~conviction or been discharged from probation or parole from a felony conviction; revising provisions governing the restoration of the right to hold public office and the right to serve on a jury in criminal matters to persons who have been convicted of a felony;~~ revising provisions governing the registration to vote of a person convicted of a felony; revising provisions governing the cancellation of the registration to vote of a person convicted of a felony; revising provisions governing a challenge to the right to vote of a person convicted of a felony; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a county clerk to cancel the registration to vote of a person who has been convicted of a felony unless the person's right to vote

has been restored: (1) under the laws of this State; or (2) if the conviction occurred in another state, under the laws of that state. (NRS 293.540) ~~In addition, existing law provides that a person who has been convicted of a felony is not eligible to serve on a jury unless that right has been restored. (NRS 6.010)~~ Under existing law, unless a person has been convicted of certain specified felonies, a person who has been convicted of a felony is restored to the right to vote ~~and the right to serve on a jury in a civil matter~~ upon: (1) an honorable discharge from probation; (2) the sealing of his or her records by a court; (3) the granting of a pardon; (4) an honorable discharge from parole; or (5) being released from prison because of the expiration of his or her sentence. (NRS 176A.850, 179.285, 213.090, 213.155, 213.157) **Sections 4, 5 and 7 of this bill provide remove all exceptions to the restoration of the right to vote of a person convicted of a felony so that a** ~~any~~ **any** person convicted of ~~any~~ **a** felony in ~~any state~~ **this State** is restored to the right to vote ~~and the right to serve on a jury in a civil matter in this State~~ upon: (1) ~~any~~ **an honorable** discharge from probation; (2) the sealing of his or her records by a court; (3) the granting of a pardon; (4) ~~any~~ **an honorable** discharge from parole; ~~and or~~ (5) the completion of his or her sentence and release from prison. ~~Under sections 1 4 and 7 9, the Director of the Department of Corrections, the Division of Parole and Probation of the Department of Public Safety, the State Board of Parole Commissioners or the court, whichever is applicable to the circumstances, must provide notice to the county clerk where the person resides that the person's right to vote has been restored. Under sections 2, 4, 5, 7 and 8, the Director of the Department of Corrections, the Division of Parole and Probation or the State Board of Parole Commissioners, as appropriate, must provide an application to register to vote to the person whose right to vote has been restored.~~

~~Under existing law, unless a person has been convicted of certain specified felonies, a person who has been convicted of a felony is restored to the right to hold public office and the right to serve on a jury in a criminal matter upon: (1) the passing of a certain number of years after an honorable discharge from probation; (2) the sealing of his or her records by a court; (3) the granting of a pardon; (4) the passing of a certain number of years after being honorably discharged from parole; and (5) the passing of a certain number of years after being released from prison because of the expiration of his or her sentence. (NRS 176A.850, 179.285, 213.090, 213.155, 213.157) Sections 4, 5, 7 and 8 of this bill provide that a person convicted of any felony in any state is restored to the right to hold public office and the right to serve on a jury in a criminal matter in this State upon: (1) the passing of a certain number of years after any discharge from probation; (2) the sealing of his or her records by a court; (3) the granting of a pardon; (4) the passing of a certain number of years after any discharge from parole; and (5) the passing of a certain number of years after the completion of his or her sentence and release from prison.~~

Sections 10-15 of this bill revise provisions relating to voter registration. Under existing law, the civil right to vote of a person who is resident of this State and who has been convicted of a felony in another state is determined by the law of that other state. (NRS 293.540) Section 10.3 of this bill provides that a resident of this State who was convicted of a felony in another state is restored to the right to vote in this State if he or she: (1) has been released from prison because of the expiration of his or her sentence; (2) has received a discharge from probation or parole which is not a dishonorable discharge; or (3) has received a pardon, or an order from a court of competent jurisdiction, which restores the person's civil right to vote. Section ~~10.4~~ 10.5 of this bill prohibits a county clerk from requiring a person seeking to register to vote to present documentation indicating that the person's right to vote has been restored following a conviction for a felony under the laws of this State or another state. Section 10.7 of this bill provides for an appeal to the Secretary of State and the district court if the county clerk cancels the voter registration of, or refuses to register, a person on the ground that the person is ineligible to vote because the person ~~is incarcerated or on probation or parole for a felony conviction.~~ ;(1) has been convicted of a felony under the laws of this State or another state; and (2) has not had his or her civil right to vote restored. Section 12 revises the procedures to be followed by a county clerk upon a determination based on specific evidence that a person is ineligible to vote because the person ~~is incarcerated or on probation or parole for a felony conviction.~~ ;(1) has been convicted of a felony under the laws of this State or another state; and (2) has not had his or her civil right to vote restored. Section 13 revises the procedure for reregistering a person to vote after a cancellation of the person's right to vote because of a felony conviction. Section 14 revises the procedures to be followed by a county clerk, district attorney or court upon a receipt of a challenge providing that a person is ineligible to vote because the person ~~is incarcerated or on probation or parole for a felony conviction.~~ ;(1) has been convicted of a felony under the laws of this State or another state; and (2) has not had his or her civil right to vote restored.

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

Section 1. ~~{NRS 209.511 is hereby amended to read as follows:~~

~~209.511—1. When an offender is released from prison by expiration of his or her term of sentence, by pardon or by parole, the Director:~~

~~(a) May furnish the offender with a sum of money not to exceed \$100, the amount to be based upon the offender's economic need as determined by the Director;~~

~~(b) Shall give the offender notice of the provisions of chapter 179C of NRS and NRS 202.357 and 202.360;~~

~~(c) Shall require the offender to sign an acknowledgment of the notice required in paragraph (b);~~

~~(d) Shall give the offender notice of the provisions of NRS 179.245 and the provisions of NRS 213.090, 213.155 or 213.157, as applicable;~~

~~(e) May provide the offender with clothing suitable for reentering society;~~

~~(f) May provide the offender with the cost of transportation to his or her place of residence anywhere within the continental United States, or to the place of his or her conviction;~~

~~(g) May, but is not required to, release the offender to a facility for transitional living for released offenders that is licensed pursuant to chapter 449 of NRS; and~~

~~(h) Shall require the offender to submit to at least one test for exposure to the human immunodeficiency virus.~~

~~2. When an offender is released from prison by expiration of his or her term of sentence, the Director shall provide to the clerk of the county in which the offender will reside a written notice stating:~~

~~(a) The full name and the address of the residence at which the offender will reside and the date on which the offender's civil right to vote has been restored pursuant to NRS 213.157;~~

~~(b) That the offender has been released from prison by expiration of his or her term of sentence; and~~

~~(c) That the offender has been restored to his or her civil right to vote as of the date set forth in paragraph (a).~~

~~3. The costs authorized in paragraphs (a), (c), (f) and (h) of subsection 1 must be paid out of the appropriate account within the State General Fund for the use of the Department as other claims against the State are paid to the extent that the costs have not been paid in accordance with subsection 5 of NRS 209.221 and NRS 209.246.~~

~~[3.] 4. As used in this section, "facility for transitional living for released offenders" has the meaning ascribed to it in NRS 449.0055.] (Deleted by amendment.)~~

Sec. 2. ~~[NRS 213.090 is hereby amended to read as follows:~~

~~213.090 1. A person who is granted a full, unconditional pardon by the Board is restored to all civil rights and is relieved of all disabilities incurred upon conviction.~~

~~2. A pardon granted by the Board shall be deemed to be a full, unconditional pardon unless the official document issued pursuant to subsection 3 explicitly limits the restoration of the civil rights of the person or does not relieve the person of all disabilities incurred upon conviction.~~

~~3. Upon [being granted] the granting of a pardon by the Board, [a] the State Board of Parole Commissioners shall give to the person so pardoned [must be given an]—~~

~~(a) If the pardon restores the right of the person to vote, an application to register to vote; and~~

~~(b) An official document which provides that the person has been granted a pardon. If the person has not been granted a full, unconditional pardon, the official document must explicitly state all limitations on the restoration of the civil rights of the person and all disabilities incurred upon conviction from which the person is not relieved.~~

~~4. Upon the granting of a pardon by the Board which restores the right to vote of the person so pardoned, the State Board of Parole Commissioners shall provide to the clerk of the county in which the person resides a written notice stating:~~

~~(a) The full name and residential address of the person and the date on which the person's civil right to vote has been restored pursuant to this section;~~

~~(b) That the State Board of Pardons Commissioners has granted a pardon which restores the person's right to vote; and~~

~~(c) That the person has been restored to his or her civil right to vote as of the date set forth in paragraph (a).~~

~~5. A person who has been granted a pardon in this State or elsewhere and whose official documentation of his or her pardon is lost, damaged or destroyed may file a written request with a court of competent jurisdiction to restore his or her civil rights pursuant to this section. Upon verification that the person has been granted a pardon and is eligible to be restored to his or her civil rights, the court shall issue an order restoring the person to his or her civil rights. A person must not be required to pay a fee to receive such an order.~~

~~{5.} 6. A person who has been granted a pardon in this State or elsewhere may present:~~

~~(a) Official documentation of his or her pardon; or~~

~~(b) A court order restoring his or her civil rights,~~

~~as proof that the person has been restored to his or her civil rights. A county clerk shall not require a person to present a court order, official documentation of his or her pardon or any other documentation issued pursuant to this section as a requirement for registering to vote. (Deleted by amendment.)~~

Sec. 3. ~~{NRS 213.154 is hereby amended to read as follows:~~

~~213.154 1. The Division shall issue an honorable discharge to a parolee whose term of sentence has expired if the parolee has:~~

~~(a) Fulfilled the conditions of his or her parole for the entire period of his or her parole; or~~

~~(b) Demonstrated his or her fitness for honorable discharge but because of economic hardship, verified by a parole and probation officer, has been unable to make restitution as ordered by the court.~~

~~2. The Division shall issue a dishonorable discharge to a parolee whose term of sentence has expired if:~~

~~(a) The whereabouts of the parolee are unknown;~~

~~(b) The parolee has failed to make full restitution as ordered by the court, without a verified showing of economic hardship; or~~

~~(c) The parolee has otherwise failed to qualify for an honorable discharge pursuant to subsection 1.~~

~~3. Any amount of restitution that remains unpaid by a person after the person has been discharged from parole constitutes a civil liability as of the date of discharge.~~

~~4. Upon discharging a person from parole pursuant to this section, the Division shall provide to the clerk of the county in which the person resides a written notice stating:~~

~~(a) The full name and residential address of the person and the date on which the person's civil right to vote has been restored pursuant to NRS 213.155;~~

~~(b) That the Division has discharged the person from parole; and~~

~~(c) That the person has been restored to his or her civil right to vote as of the date set forth in paragraph (a). (Deleted by amendment.)~~

Sec. 4. NRS 213.155 is hereby amended to read as follows:

213.155 1. ~~{Except as otherwise provided in subsection 2, a}~~ A person who receives an honorable ~~{a}~~ discharge from parole ~~{+}~~ pursuant to NRS 213.154:

(a) Is immediately restored to the ~~{following}~~ civil ~~{rights}~~:

~~(1) The~~ right to vote. ~~{+}~~ and

~~(2) The~~

(b) Except as otherwise provided in subsection 2:

(1) Is immediately restored to the right to serve as a juror in a civil action.

~~{(b)}~~ **(2)** Four years after the date of his or her honorable discharge from parole, is restored to the right to hold office.

~~{(c)}~~ **(3)** Six years after the date of his or her honorable discharge from parole, is restored to the right to serve as a juror in a criminal action.

2. Except as otherwise provided in this subsection, the civil rights set forth in paragraph (b) of subsection 1 are not restored to a person who has received an honorable discharge from parole if the person has previously been convicted in this State:

(a) Of a category A felony.

(b) Of an offense that would constitute a category A felony if committed as of the date of his or her honorable discharge from parole.

(c) Of a category B felony involving the use of force or violence that resulted in substantial bodily harm to the victim.

(d) Of an offense involving the use of force or violence that resulted in substantial bodily harm to the victim and that would constitute a category B felony if committed as of the date of his or her honorable discharge from parole.

(e) Two or more times of a felony, unless a felony for which the person has been convicted arose out of the same act, transaction or occurrence as

another felony, in which case the convictions for those felonies shall be deemed to constitute a single conviction for the purposes of this paragraph.

➔ A person described in this subsection may petition a court of competent jurisdiction for an order granting the restoration of his or her civil rights as set forth in **paragraph (b) of subsection 1.**

3. ~~Except for a person subject to the limitations set forth in subsection 2, upon~~ **Upon** his or her honorable discharge from parole, ~~a~~ **the Division shall give to the** person so discharged must be given an ~~the~~

~~(a) An application to register to vote; and~~

~~(b) An~~ official document which provides:

~~(a) (1)~~ That the person has received an honorable ~~the~~ discharge from parole;

~~(b) (2)~~ That the person has been restored to his or her civil ~~rights~~ **right** to vote ~~and~~ **as of the date of his or her honorable discharge from parole; and**

(c) If the person is not subject to the limitations set forth in subsection 2:

(1) That the person has been restored to his or her civil right to serve as a juror in a civil action as of the date of his or her honorable discharge from parole;

~~(c) (2)~~ **(2)** The date on which his or her civil right to hold office will be restored to the person pursuant to **subparagraph (2) of** paragraph (b) of subsection 1; and

~~(d) (4)~~ **(3)** The date on which his or her civil right to serve as a juror in a criminal action will be restored to the person pursuant to **subparagraph (3) of** paragraph ~~(c)~~ **(b)** of subsection 1.

4. Subject to the limitations set forth in subsection 2, a

~~3. A~~ person who has been honorablely discharged from parole in this State or elsewhere and whose official documentation of his or her honorable discharge from parole is lost, damaged or destroyed may file a written request with ~~a court of competent jurisdiction to restore~~ **the district court in and for the county in which the person resides for the issuance of an order declaring that** his or her civil rights **have been restored** pursuant to this section. Upon verification that the person has been honorablely discharged from parole ~~and~~ and is eligible to be restored to any of the civil rights set forth in subsection 1, the court shall issue an order restoring the person to the civil rights ~~set forth in~~ **to which the person is entitled to be restored pursuant to subsection 1, this section.** A person must not be required to pay a fee to receive such an order.

5. ~~4.~~ A person who has been honorablely discharged from parole in this State or elsewhere may present:

(a) Official documentation of his or her honorable discharge from parole, if it contains the provisions set forth in ~~paragraph (b) of~~ subsection 3; ~~and~~ or

(b) A court order restoring his or her civil rights,

↪ as proof that the person has been restored to any of the civil rights set forth in ~~subsection 1.~~ **this section.**

~~6. A county clerk shall not require a person to present a court order, official documentation of discharge from parole or any other documentation issued pursuant to this section as a requirement for registering to vote.~~

~~5.~~ The Board may adopt regulations necessary or convenient for the purposes of this section.

Sec. 5. NRS 213.157 is hereby amended to read as follows:

213.157 1. ~~Except as otherwise provided in subsection 2, a~~ A person convicted of a felony in the State of Nevada who has ~~served~~ **completed** his or her sentence and has been released from prison:

(a) Is immediately restored to the ~~following~~ civil ~~rights~~:

~~(1) The~~ right to vote. ~~1.~~ and

~~(2) The~~

(b) Except as otherwise provided in subsection 2:

(1) Is immediately restored to the right to serve as a juror in a civil action.

~~(b)~~ **(2)** Four years after the date of his or her release from prison, is restored to the right to hold office.

~~(c)~~ **(3)** Six years after the date of his or her release from prison, is restored to the right to serve as a juror in a criminal action.

2. Except as otherwise provided in this subsection, the civil rights set forth in **paragraph (b)** of subsection 1 are not restored to a person who has been released from prison if the person has previously been convicted in this State:

(a) Of a category A felony.

(b) Of an offense that would constitute a category A felony if committed as of the date of his or her release from prison.

(c) Of a category B felony involving the use of force or violence that resulted in substantial bodily harm to the victim.

(d) Of an offense involving the use of force or violence that resulted in substantial bodily harm to the victim and that would constitute a category B felony if committed as of the date of his or her release from prison.

(e) Two or more times of a felony, unless a felony for which the person has been convicted arose out of the same act, transaction or occurrence as another felony, in which case the convictions for those felonies shall be deemed to constitute a single conviction for the purposes of this paragraph.

↪ A person described in this subsection may petition a court of competent jurisdiction for an order granting the restoration of his or her civil rights as set forth in **paragraph (b)** of subsection 1.

3. ~~Except for a person subject to the limitations set forth in subsection 2, upon~~ **Upon** his or her release from prison, a ~~When a person is released from prison by expiration of his or her term of sentence, the Director of the Department of Corrections shall give to the~~ person so released must be given an ~~fr~~

~~(a) An application to register to vote; and~~

~~(b) An~~ official document which provides:

~~(a) ~~1~~~~ That the person has been released from prison;

~~(b) ~~2~~~~ That the person has been restored to his or her civil ~~rights~~ **right** to vote ~~and~~ **as of the date of his or her release from prison; and**

(c) If the person is not subject to the limitations set forth in subsection 2:

(1) That the person has been restored to his or her civil right to serve as a juror in a civil action as of the date of his or her release from prison;

~~(c) ~~3~~~~ **(2)** The date on which his or her civil right to hold office will be restored to the person pursuant to **subparagraph (2) of** paragraph (b) of subsection 1; and

~~(d) ~~4~~~~ **(3)** The date on which his or her civil right to serve as a juror in a criminal action will be restored to the person pursuant to **subparagraph (3) of** paragraph ~~(c)~~ **(b)** of subsection 1.

4. Subject to the limitations set forth in subsection 2, a

~~3. A~~ person who has **completed his or her sentence and has** been released from prison in this State or elsewhere and whose official documentation of his or her release from prison is lost, damaged or destroyed may file a written request with ~~a court of competent jurisdiction to restore~~ **the district court in and for the county in which the person resides for the issuance of an order declaring that** his or her civil rights **have been restored** pursuant to this section. Upon verification that the person has **completed his or her sentence**, ~~and~~ **has** been released from prison ~~and~~ **and is eligible to be restored to any of the civil rights set forth in subsection 1,** the court shall issue an order restoring the person to the civil rights ~~set forth in~~ **to which the person is entitled to be restored pursuant to subsection 1, this section.**

A person must not be required to pay a fee to receive such an order.

5. ~~4~~ A person who has **completed his or her sentence and has** been released from prison in this State or elsewhere may present:

(a) Official documentation of his or her **completion of sentence and** release from prison, if it contains the provisions set forth in ~~paragraph (b) of~~ subsection 3; ~~2~~ or

(b) A court order restoring his or her civil rights,
 ➤ as proof that the person has been restored to **any of** the civil rights set forth in ~~subsection 1. A county clerk shall not require a person to present a court order, official documentation of the completion of his or her sentence and release from prison, or any other documentation issued pursuant to this section as a requirement for registering to vote.~~ **this section.**

Sec. 6. NRS 6.010 is hereby amended to read as follows:

~~6.010 Except as otherwise provided in this section, every qualified elector of the State, whether registered or not, who has sufficient knowledge of the English language, and who has not been convicted of treason, a felony, or other infamous crime, and who is not rendered incapable by reason of physical or mental infirmity, is a qualified juror of the county in which the person resides. A person who has been convicted of a felony is not a~~

~~qualified juror of the county in which the person resides until the person's civil right to serve as a juror has been restored pursuant to NRS 176A.850, 176A.870, 179.285, 213.090, 213.155 or 213.157.] (Deleted by amendment.)~~

Sec. 7. NRS 176A.850 is hereby amended to read as follows:

176A.850 1. A person who:

- (a) Has fulfilled the conditions of probation for the entire period thereof;
 - (b) Is recommended for earlier discharge by the Division; or
 - (c) Has demonstrated fitness for honorable discharge but because of economic hardship, verified by the Division, has been unable to make restitution as ordered by the court,
- ↪ may be granted an honorable discharge from probation by order of the court.

2. Any amount of restitution remaining unpaid constitutes a civil liability arising upon the date of discharge.

3. ~~[Except as otherwise provided in subsection 4, a]~~ A person who has been honorably discharged from probation:

- (a) Is free from the terms and conditions of probation.
- (b) Is immediately restored to the ~~[following]~~ civil ~~[rights]~~:
 - ~~(1) The~~ right to vote ~~. [and~~
 - ~~(2) The~~

(c) Except as otherwise provided in subsection 4:

(1) Is immediately restored to the right to serve as a juror in a civil action.

~~[(c)]~~ **(2)** Four years after the date of honorable discharge from probation, is restored to the right to hold office.

~~[(d)]~~ **(3)** Six years after the date of honorable discharge from probation, is restored to the right to serve as a juror in a criminal action.

~~[(e)]~~ **(d)** If the person meets the requirements of NRS 179.245, may apply to the court for the sealing of records relating to the conviction.

~~[(f)]~~ **(e)** Must be informed of the provisions of this section and NRS 179.245 in the person's probation papers.

~~[(g)]~~ **(f)** Is exempt from the requirements of chapter 179C of NRS, but is not exempt from the requirements of chapter 179D of NRS.

~~[(h)]~~ **(g)** Shall disclose the conviction to a gaming establishment and to the State and its agencies, departments, boards, commissions and political subdivisions, if required in an application for employment, license or other permit. As used in this paragraph, "establishment" has the meaning ascribed to it in NRS 463.0148.

~~[(i)]~~ **(h)** Except as otherwise provided in paragraph ~~[(h)]~~ **(g)**, need not disclose the conviction to an employer or prospective employer.

4. Except as otherwise provided in this subsection, the civil rights set forth in **paragraph (c) of subsection 3** are not restored to a person honorably discharged from probation if the person has previously been convicted in this State:

(a) Of a category A felony.

(b) Of an offense that would constitute a category A felony if committed as of the date of the honorable discharge from probation.

(c) Of a category B felony involving the use of force or violence that resulted in substantial bodily harm to the victim.

(d) Of an offense involving the use of force or violence that resulted in substantial bodily harm to the victim and that would constitute a category B felony if committed as of the date of honorable discharge from probation.

(e) Two or more times of a felony, unless a felony for which the person has been convicted arose out of the same act, transaction or occurrence as another felony, in which case the convictions for those felonies shall be deemed to constitute a single conviction for the purposes of this paragraph.

↪ A person described in this subsection may petition a court of competent jurisdiction for an order granting the restoration of civil rights as set forth in **paragraph (c) of subsection 3.**

5. The prior conviction of a person who has been honorably discharged from probation may be used for purposes of impeachment. In any subsequent prosecution of the person, the prior conviction may be pleaded and proved if otherwise admissible.

6. ~~Except for a person subject to the limitations set forth in subsection 4,~~
~~upon~~

~~5.~~ **Upon** honorable discharge from probation, the ~~Division shall give~~
~~to the~~ person so discharged must be given an ~~to~~

~~(a) An application to register to vote; and~~

~~(b) An official document which provides:~~

~~(a) (1)~~ That the person has received an honorable discharge from probation;

~~(b) (2)~~ That the person has been restored to his or her civil ~~rights~~ **right**
to vote ~~and~~ **as of the date of honorable discharge from probation; and**

(c) If the person is not subject to the limitations set forth in subsection 4:

(1) That the person has been restored to his or her civil right to serve
as a juror in a civil action as of the date of honorable discharge from
probation;

~~(c) (3)~~ **(2)** The date on which the person's civil right to hold office
will be restored pursuant to **subparagraph (2) of** paragraph (c) of subsection
3; and

~~(d) (4)~~ **(3)** The date on which the person's civil right to serve as a
juror in a criminal action will be restored pursuant to **subparagraph (3) of**
paragraph ~~(d)~~ **(c)** of subsection 3.

7. Subject to the limitations set forth in subsection 4, a

~~6. Upon honorably discharging a person from probation pursuant to this
section, the Division shall provide to the clerk of the county in which the
person resides a written notice stating:~~

~~(a) The full name and residential address of the person and the date on which the person's civil right to vote has been restored pursuant to this section;~~

~~(b) That the Division has honorably discharged the person from probation; and~~

~~(c) That the person has been restored to his or her civil right to vote as of the date set forth in paragraph (a).~~

~~7.—A~~ person who has been honorably discharged from probation in this State or elsewhere and whose official documentation of honorable discharge from probation is lost, damaged or destroyed may file a written request with ~~the court of competent jurisdiction to restore the person's~~ **the district court in and for the county in which the person resides for the issuance of an order declaring that his or her civil rights have been restored** pursuant to this section. Upon verification that the person has been honorably discharged from probation ~~and is eligible to be restored to any of the civil rights set forth in subsection 3,~~ the court shall issue an order restoring the person to the civil rights ~~set forth in~~ **to which the person is entitled to be restored pursuant to subsection 3.** ~~this section.~~ A person must not be required to pay a fee to receive such an order.

8. A person who has been honorably discharged from probation in this State or elsewhere may present:

(a) Official documentation of honorable discharge from probation, if it contains the provisions set forth in ~~paragraph (b) of~~ subsection 6; ~~15;~~ or

(b) A court order restoring the person's civil rights,
 ➤ as proof that the person has been restored to any of the civil rights set forth in ~~subsection 3. A county clerk shall not require a person to present a court order, official documentation of discharge from probation or any other documentation issued pursuant to this section as a requirement for registering to vote.~~ **this section.**

Sec. 8. ~~NRS 176A.870 is hereby amended to read as follows:~~

~~176A.870—1.—A defendant whose term of probation has expired and:~~

~~[1.] (a) Whose whereabouts are unknown;~~

~~[2.] (b) Who has failed to make restitution in full as ordered by the court, without a verified showing of economic hardship; or~~

~~[3.] (c) Who has otherwise failed to qualify for an honorable discharge as provided in NRS 176A.850;~~

~~is not eligible for an honorable discharge and must be given a dishonorable discharge. A dishonorable discharge releases the probationer from any further obligation, except a civil liability arising on the date of discharge for any unpaid restitution, but does not entitle the probationer to any privilege conferred by paragraph (c) to (i), inclusive, of subsection 3 of NRS 176A.850.~~

~~2.—A person who is discharged from probation pursuant to this section:~~

~~(a) Is free from the terms and conditions of probation;~~

~~(b) Is immediately restored to the following civil rights:~~

~~(1) The right to vote; and~~

~~(2) The right to serve as a juror in a civil action.~~

~~(c) Four years after the date of discharge from probation pursuant to this section, is restored to the right to hold office.~~

~~(d) Six years after the date of discharge from probation pursuant to this section, is restored to the right to serve as a juror in a criminal action.~~

~~3. Unless the probationer's whereabouts are unknown, upon discharge from probation pursuant to this section, the Division shall give to the person so discharged:~~

~~(a) An application to register to vote; and~~

~~(b) An official document which provides:~~

~~(1) That the person has received a dishonorable discharge from probation; and~~

~~(2) That the person has been restored to his or her civil rights to vote and to serve as a juror in a civil action as of the date of discharge from probation pursuant to this section.~~

~~4. Upon discharging a person from probation pursuant to this section, the Division shall provide to the clerk of the county in which the person resides a written notice stating:~~

~~(a) The full name and residential address of the person and the date on which the person's civil right to vote has been restored pursuant to this section;~~

~~(b) That the Division has dishonorably discharged the person from probation; and~~

~~(c) That the person has been restored to his or her civil right to vote as of the date set forth in paragraph (a).~~

~~5. A person who has been dishonorably discharged from probation in this State or elsewhere and whose official documentation of dishonorable discharge from probation is lost, damaged or destroyed may file a written request with the district court in and for the county in which the person resides for the issuance of an order declaring that his or her civil rights have been restored pursuant to this section. Upon verification that the person has been dishonorably discharged from probation, the court shall issue an order restoring the person to the civil rights to which the person is entitled to be restored pursuant to subsection 2. A person must not be required to pay a fee to receive such an order.~~

~~6. A person who has been dishonorably discharged from probation in this State or elsewhere may present:~~

~~(a) Official documentation of dishonorable discharge from probation, if it contains the provisions set forth in paragraph (b) of subsection 3; or~~

~~(b) A court order restoring the person's civil rights,
as proof that the person has been restored to the civil rights set forth in subsection 2. A county clerk shall not require a person to present a court order, official documentation of discharge from probation or any other~~

~~documentation issued pursuant to this section as a requirement for registering to vote.~~ (Deleted by amendment.)

Sec. 9. [NRS 179.285 is hereby amended to read as follows:

~~179.285 Except as otherwise provided in NRS 179.301:~~

~~1. If the court orders a record sealed pursuant to NRS 176A.265, 176A.295, 179.245, 179.255, 179.259, 453.3365 or 458.330:~~

~~(a) All proceedings recounted in the record are deemed never to have occurred, and the person to whom the order pertains may properly answer accordingly to any inquiry, including, without limitation, an inquiry relating to an application for employment, concerning the arrest, conviction, dismissal or acquittal and the events and proceedings relating to the arrest, conviction, dismissal or acquittal.~~

~~(b) The person is immediately restored to the following civil rights if the person's civil rights previously have not been restored:~~

~~(1) The right to vote;~~

~~(2) The right to hold office; and~~

~~(3) The right to serve on a jury.~~

~~2. Upon the sealing of the person's records, a person who is restored to his or her civil rights must be given an official document which demonstrates that the person has been restored to the civil rights set forth in paragraph (b) of subsection 1. If the sealing of a person's records restores the person's right to vote, the court must provide to the clerk of the county in which the person resides a written notice stating:~~

~~(a) The full name and residential address of the person and the date on which the court ordered the sealing of the person's records;~~

~~(b) That the court has sealed the person's records and restored his or her civil right to vote; and~~

~~(c) That the person has been restored to his or her civil right to vote as of the date set forth in paragraph (a).~~

~~3. A person who has had his or her records sealed in this State or any other state and whose official documentation of the restoration of civil rights is lost, damaged or destroyed may file a written request with a court of competent jurisdiction to restore his or her civil rights pursuant to this section. Upon verification that the person has had his or her records sealed, the court shall issue an order restoring the person to the civil rights to vote, to hold office and to serve on a jury. A person must not be required to pay a fee to receive such an order.~~

~~4. A person who has had his or her records sealed in this State or any other state may present official documentation that the person has been restored to his or her civil rights or a court order restoring civil rights as proof that the person has been restored to the right to vote, to hold office and to serve as a juror.~~ (Deleted by amendment.)

Sec. 10. Chapter 293 of NRS is hereby amended by adding thereto ~~a new section to read as follows:~~ the provisions set forth as sections 10.3, 10.5 and 10.7 of this act.

Sec. 10.3. A person who is a resident of this State and who has been convicted of a felony under the law of another state is restored to the civil right to vote in this State if the person:

1. Has been released from prison because of the completion of his or her sentence;
2. Has received a discharge from probation or parole which is not a dishonorable discharge or the equivalent thereof; or
3. Has received a pardon or an order from a court of competent jurisdiction which restores his or her civil right to vote.

Sec. 10.5. A county clerk shall not ask or require a person seeking to register to vote to present:

1. A court order indicating that the person's civil right to vote has been restored following a conviction for a felony under the laws of this State or another state; or
2. Any other documentation indicating that the person's civil right to vote has been restored following a conviction for a felony under the laws of this State or another state.

Sec. 10.7. 1. If a county clerk cancels the registration of a registrant pursuant to subsection 3 of NRS 293.540 or refuses to reregister an elector for a reason stated in subsection 2 of NRS 293.543, the registrant or elector may appeal to the Secretary of State by providing to the Secretary of State written notice of the appeal and any relevant evidence, which may include, without limitation, an affirmation under penalty of perjury that the registrant or elector ~~is~~

~~(a) Is a lawful resident of this State;~~

~~(b) Is not incarcerated because of a felony conviction;~~

and:

(a) Has never been convicted of a felony under the laws of this State or another State; ~~and~~

~~(c) Is not on probation or parole from a felony conviction under the laws of this State or another state.~~ or

(b) Has been convicted of a felony under the laws of this State but has been restored to the civil right to vote pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or has been convicted of a felony under the laws of another state but has been restored to the civil right to vote in this State pursuant to the provisions of section 10.3 of this act.

2. If the Secretary of State receives relevant evidence pursuant to subsection 1 and no other evidence exists to support the cancellation of the registration of the appellant or the refusal to reregister the appellant, the Secretary of State must issue an order that the appellant be registered to vote in the county of which the appellant is a resident.

3. If:

(a) The cancellation of the registration or refusal to reregister occurred more than 60 days before the date of any election and the Secretary of

State does not issue an order pursuant to subsection 2 within 60 days after receipt of a notice of appeal and relevant evidence pursuant to subsection 1; or

(b) The cancellation of the registration or refusal to reregister occurred 60 days or less before the date of any election and the Secretary of State does not issue an order pursuant to subsection 2 within 40 days after receipt of a notice of appeal and relevant evidence pursuant to subsection 1,

↪ the registrant or elector who filed the appeal with the Secretary of State may bring a civil action for declaratory or injunctive relief in the district court in and for the county where the registrant or elector resides. The court shall give the civil action priority over other civil matters to which priority is not given by other provisions of NRS.

4. If, within 30 days before any election, a county clerk cancels the registration of a registrant pursuant to subsection 3 of NRS 293.540 or refuses to reregister an elector for a reason stated in subsection 2 of NRS 293.543, the registrant or elector may, without submitting an appeal to the Secretary of State pursuant to subsection 1, bring a civil action for declaratory or injunctive relief in the district court in and for the county where the registrant or elector resides. The court shall give the civil action priority over other civil matters to which priority is not given by other provisions of NRS.

Sec. 11. NRS 293.177 is hereby amended to read as follows:

293.177 1. Except as otherwise provided in NRS 293.165, a name may not be printed on a ballot to be used at a primary election unless the person named has filed a declaration of candidacy or an acceptance of candidacy, and has paid the fee required by NRS 293.193 not earlier than:

(a) For a candidate for judicial office, the first Monday in January of the year in which the election is to be held nor later than 5 p.m. on the second Friday after the first Monday in January; and

(b) For all other candidates, the first Monday in March of the year in which the election is to be held nor later than 5 p.m. on the second Friday after the first Monday in March.

2. A declaration of candidacy or an acceptance of candidacy required to be filed by this section must be in substantially the following form:

(a) For partisan office:

DECLARATION OF CANDIDACY OF FOR THE
OFFICE OF
State of Nevada
County of

For the purpose of having my name placed on the official ballot as a candidate for the Party nomination for the office of, I, the undersigned, do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at, in the City or Town of, County of, State of Nevada; that my actual, as opposed to

constructive, residence in the State, district, county, township, city or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that my telephone number is, and the address at which I receive mail, if different than my residence, is; that I am registered as a member of the Party; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been convicted of treason or a felony, my civil rights have been restored ; ~~by a court of competent jurisdiction;~~ that I have not, in violation of the provisions of NRS 293.176, changed the designation of my political party or political party affiliation on an official application to register to vote in any state since December 31 before the closing filing date for this election; that I generally believe in and intend to support the concepts found in the principles and policies of that political party in the coming election; that if nominated as a candidate of the Party at the ensuing election, I will accept that nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and that I understand that my name will appear on all ballots as designated in this declaration.

(Designation of name)

(Signature of candidate for office)

Subscribed and sworn to before me

this day of the month of of the year

Notary Public or other person

authorized to administer an oath

(b) For nonpartisan office:

DECLARATION OF CANDIDACY OF FOR THE

OFFICE OF

State of Nevada

County of

For the purpose of having my name placed on the official ballot as a candidate for the office of, I, the undersigned, do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at, in the City or Town of, County of, State of Nevada; that my actual, as opposed to constructive, residence in the State, district, county, township, city or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that my telephone number is, and the address at which I receive mail, if different than my residence, is; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution

of the State of Nevada; that if I have ever been convicted of treason or a felony, my civil rights have been restored ; ~~By a court of competent jurisdiction;~~ that if nominated as a nonpartisan candidate at the ensuing election, I will accept the nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and my name will appear on all ballots as designated in this declaration.

(Designation of name)

(Signature of candidate for office)

Subscribed and sworn to before me

this day of the month of of the year

Notary Public or other person

authorized to administer an oath

3. The address of a candidate which must be included in the declaration of candidacy or acceptance of candidacy pursuant to subsection 2 must be the street address of the residence where the candidate actually, as opposed to constructively, resides in accordance with NRS 281.050, if one has been assigned. The declaration or acceptance of candidacy must not be accepted for filing if:

(a) The candidate's address is listed as a post office box unless a street address has not been assigned to his or her residence; or

(b) The candidate does not present to the filing officer:

(1) A valid driver's license or identification card issued by a governmental agency that contains a photograph of the candidate and the candidate's residential address; or

(2) A current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the candidate's name and residential address, but not including a voter registration card issued pursuant to NRS 293.517.

4. The filing officer shall retain a copy of the proof of identity and residency provided by the candidate pursuant to paragraph (b) of subsection 3. Such a copy:

(a) May not be withheld from the public; and

(b) Must not contain the social security number or driver's license or identification card number of the candidate.

5. By filing the declaration or acceptance of candidacy, the candidate shall be deemed to have appointed the filing officer for the office as his or her agent for service of process for the purposes of a proceeding pursuant to NRS 293.182. Service of such process must first be attempted at the appropriate address as specified by the candidate in the declaration or acceptance of candidacy. If the candidate cannot be served at that address,

service must be made by personally delivering to and leaving with the filing officer duplicate copies of the process. The filing officer shall immediately send, by registered or certified mail, one of the copies to the candidate at the specified address, unless the candidate has designated in writing to the filing officer a different address for that purpose, in which case the filing officer shall mail the copy to the last address so designated.

6. If the filing officer receives credible evidence indicating that a candidate has been convicted of a felony and has not had his or her civil rights restored, ~~by a court of competent jurisdiction,~~ the filing officer:

(a) May conduct an investigation to determine whether the candidate has been convicted of a felony and, if so, whether the candidate has had his or her civil rights restored; ~~by a court of competent jurisdiction;~~ and

(b) Shall transmit the credible evidence and the findings from such investigation to the Attorney General, if the filing officer is the Secretary of State, or to the district attorney, if the filing officer is a person other than the Secretary of State.

7. The receipt of information by the Attorney General or district attorney pursuant to subsection 6 must be treated as a challenge of a candidate pursuant to subsections 4 and 5 of NRS 293.182. If the ballots are printed before a court of competent jurisdiction makes a determination that a candidate has been convicted of a felony and has not had his or her civil rights restored, ~~by a court of competent jurisdiction,~~ the filing officer must post a notice at each polling place where the candidate's name will appear on the ballot informing the voters that the candidate is disqualified from entering upon the duties of the office for which the candidate filed the declaration of candidacy or acceptance of candidacy.

Sec. 12. NRS 293.540 is hereby amended to read as follows:

293.540 The county clerk shall cancel the registration:

1. If the county clerk has personal knowledge of the death of the person registered, or if an authenticated certificate of the death of any elector is filed in the county clerk's office.

2. If the insanity or mental incompetence of the person registered is legally established.

3. Upon ~~the~~ a determination ***based on specific evidence*** that the person registered has been convicted of a felony unless: ~~is:~~

(a) If the person registered was convicted ~~(incarcerated because)~~ of a felony in ~~(under the laws of)~~ this State, the right to vote of the person has been restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157, ~~for another state, or~~

(b) If the person registered was convicted of a felony in ~~(On probation or parole from a felony conviction under the laws of this State or)~~ another state, the right to vote of the person has been restored pursuant to the ~~laws of the state in which the person was convicted.~~ ***provisions of section 10.3 of this act.***

↪ *Before cancelling a registration pursuant to this subsection, the county clerk shall notify the registrant and provide to the registrant an affidavit which allows the registrant to affirm under penalty of perjury that he or she is a lawful resident of this State ~~[, is not incarcerated because of a felony conviction under the laws of this State or another state and is not on probation or parole from a felony conviction under the laws of this State or another state,]~~ and that he or she has never been convicted of a felony under the laws of this State or another state or has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act. If the registrant so affirms or presents a court order or official documentation indicating that ~~this or her civil right to vote has been restored pursuant to NRS 176A.850, 176A.870, 179.285, 213.090, 213.155 or 213.157 or pursuant to the laws of another state,]~~ he or she has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act, the county clerk may not cancel the registration unless the county clerk has specific, documentary evidence that the registrant is ineligible to vote in this State. If the registrant fails to respond within 30 days after receiving the notice pursuant to this subsection, the county clerk may cancel the registration.*

4. Upon the production of a certified copy of the judgment of any court directing the cancellation to be made.

5. Upon the request of any registered voter to affiliate with any political party or to change affiliation, if that change is made before the end of the last day to register to vote in the election.

6. At the request of the person registered.

7. If the county clerk has discovered an incorrect registration pursuant to the provisions of NRS 293.5235, 293.530 or 293.535 and the elector has failed to respond or appear to vote within the required time.

8. As required by NRS 293.541.

9. Upon verification that the application to register to vote is a duplicate if the county clerk has the original or another duplicate of the application on file in the county clerk's office.

Sec. 13. NRS 293.543 is hereby amended to read as follows:

293.543 1. If the registration of an elector is cancelled pursuant to subsection 2 of NRS 293.540, the county clerk shall reregister the elector upon notice from the clerk of the district court that the elector has been declared sane or mentally competent by the district court.

2. If the registration of an elector is cancelled pursuant to subsection 3 of NRS 293.540, the elector may reregister ~~[after presenting satisfactory evidence which demonstrates that the elector's:]~~ **if:**

(a) ~~[Conviction]~~ The elector's conviction has been overturned; ~~[The elector is no longer incarcerated because of a felony conviction under the laws of this State or another state,]~~ or

(b) ~~{Civil rights have been restored:~~

(1) ~~If the elector was convicted in this State, pursuant to the provisions of NRS 213.090, 213.155 or 213.157.~~

(2) ~~If the elector was convicted in another state, pursuant to the laws of the state in which he or she was convicted.} ~~{The elector is not on probation or parole from a felony conviction under the laws of this State or another state.}~~ The elector has been restored to his or her civil right to vote in this State pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act.~~

↪ A county clerk shall not require an elector seeking to reregister pursuant to this subsection to present any information or documentation other than the information and documentation required for a person to register to vote pursuant to this chapter, unless the county clerk has specific evidence that the elector ~~{is incarcerated because}~~ has been convicted of a felony {conviction} under the laws of this State or another state {or is on probation or parole from a felony conviction under the laws of this State or another state.} and has not had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act. If the county clerk has or receives such specific evidence, the county clerk must notify the elector of that evidence and provide to the elector an affidavit which allows the elector to affirm under penalty of perjury that he or she is a lawful resident of this State ~~{, is not incarcerated because of a felony conviction under the laws of this State or another state and is not on probation or parole from a felony conviction under the laws of this State or another state.}~~ and that he or she has never been convicted of a felony under the laws of this State or another state or has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act. If the registrant so affirms or presents a court order or official documentation indicating that ~~{his or her civil right to vote has been restored pursuant to NRS 176A.850, 176A.870, 179.285, 213.090, 213.155 or 213.157 or pursuant to the laws of another state.}~~ he or she has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act, the county clerk must reregister the elector.

3. If the registration of an elector is cancelled pursuant to the provisions of subsection 5 of NRS 293.540, the elector may reregister immediately.

4. If the registration of an elector is cancelled pursuant to the provisions of subsection 6 of NRS 293.540, after the close of registration for a primary election, the elector may not reregister until after the primary election.

Sec. 14. NRS 293.547 is hereby amended to read as follows:

293.547 1. After the 30th day but not later than the 25th day before any election, a written challenge may be filed with the county clerk.

2. A registered voter may file a written challenge if:

(a) He or she is registered to vote in the same precinct as the person whose right to vote is challenged; and

(b) The challenge is based on the personal knowledge of the registered voter.

3. The challenge must be signed and verified by the registered voter and name the person whose right to vote is challenged and the ground of the challenge.

4. A challenge filed pursuant to this section must not contain the name of more than one person whose right to vote is challenged. The county clerk shall not accept for filing any challenge which contains more than one such name.

5. The county clerk shall:

(a) File the challenge in the registrar of voters' register and:

(1) In counties where records of registration are not kept by computer, he or she shall attach a copy of the challenge to the challenged registration in the election board register.

(2) In counties where records of registration are kept by computer, he or she shall have the challenge printed on the computer entry for the challenged registration and add a copy of it to the election board register.

(b) Within 5 days after a challenge is filed, mail a notice in the manner set forth in NRS 293.530 to the person whose right to vote has been challenged pursuant to this section informing the person of the challenge. ***If the person's right to vote is challenged on the grounds that the person ~~is incarcerated for~~ has been convicted of a felony ~~conviction~~ under the laws of this State or another state ~~for is on probation or parole from a felony conviction under the laws of this State or another state,~~ and has not had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act, the notice must be accompanied by an affidavit which allows the person whose right to vote has been challenged to affirm under penalty of perjury that he or she is a lawful resident of this State ~~is is not incarcerated because of a felony conviction under the laws of this State or another state and is not on probation or parole from a felony conviction under the laws of this State or another state,~~ and that he or she has never been convicted of a felony under the laws of this State or another state or has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act. If the person so affirms or presents a court order or official documentation indicating that ~~this or her civil right to vote has been restored pursuant to NRS 176A.850, 176A.870, 179.285, 213.090, 213.155 or 213.157 or pursuant to the laws of another state,~~ he or she has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act,***

the county clerk may not cancel the registration of the person whose right to vote has been challenged unless the county clerk has specific, documentary evidence that the person is ineligible to vote in this State. If the person fails to respond or appear to vote within the required time, the county clerk shall cancel the person's registration. A copy of the challenge and information describing how to reregister properly must accompany the notice.

(c) Immediately notify the district attorney. A copy of the challenge must accompany the notice.

6. Upon receipt of a notice pursuant to this section, the district attorney shall investigate the challenge within 14 days and, if appropriate, cause proceedings to be instituted and prosecuted in a court of competent jurisdiction without delay. ***If the right to vote of a person has been challenged on the grounds that the person ~~is incarcerated for a felony conviction~~ has been convicted of a felony under the laws of this State or another state ~~for is on probation or parole from a felony conviction under the laws of this State or another state~~ and has not had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act, and if the person presents to the district attorney or the court the affidavit signed by the person pursuant to paragraph (b) of subsection ~~(2)~~ 5 or a court order or other documentation indicating that ~~this or her civil right to vote has been restored pursuant to NRS 176A.850, 176A.870, 179.285, 213.090, 213.155 or 213.157 or pursuant to the laws of another state,~~ he or she has had his or her civil right to vote in this State restored pursuant to the provisions of NRS 176A.850, 179.285, 213.090, 213.155 or 213.157 or pursuant to the provisions of section 10.3 of this act, the district attorney or the court must find that the person is entitled to the civil right to vote in this State unless the district attorney or the court has specific, documentary evidence that the person is ineligible to vote in this State.*** The court shall give such proceedings priority over other civil matters that are not expressly given priority by law. Upon court order, the county clerk shall cancel the registration of the person whose right to vote has been challenged pursuant to this section.

Sec. 15. NRS 293C.185 is hereby amended to read as follows:

293C.185 1. Except as otherwise provided in NRS 293C.115 and 293C.190, a name may not be printed on a ballot to be used at a primary city election unless the person named has filed a declaration of candidacy or an acceptance of candidacy and has paid the fee established by the governing body of the city not earlier than 70 days before the primary city election and not later than 5 p.m. on the 60th day before the primary city election.

2. A declaration of candidacy required to be filed by this section must be in substantially the following form:

DECLARATION OF CANDIDACY OF FOR THE
OFFICE OF

State of Nevada

City of

For the purpose of having my name placed on the official ballot as a candidate for the office of, I, ..., the undersigned do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at, in the City or Town of, County of, State of Nevada; that my actual, as opposed to constructive, residence in the city, township or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that my telephone number is, and the address at which I receive mail, if different than my residence, is; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been convicted of treason or a felony, my civil rights have been restored ; ~~by a court of competent jurisdiction;~~ that if nominated as a candidate at the ensuing election I will accept the nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and my name will appear on all ballots as designated in this declaration.

(Designation of name)

(Signature of candidate for office)

Subscribed and sworn to before me

this day of the month of of the year

Notary Public or other person

authorized to administer an oath

3. The address of a candidate that must be included in the declaration or acceptance of candidacy pursuant to subsection 2 must be the street address of the residence where the candidate actually, as opposed to constructively, resides in accordance with NRS 281.050, if one has been assigned. The declaration or acceptance of candidacy must not be accepted for filing if:

(a) The candidate's address is listed as a post office box unless a street address has not been assigned to the residence; or

(b) The candidate does not present to the filing officer:

(1) A valid driver's license or identification card issued by a governmental agency that contains a photograph of the candidate and the candidate's residential address; or

(2) A current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the candidate's name and residential address, but not including a voter registration card issued pursuant to NRS 293.517.

4. The filing officer shall retain a copy of the proof of identity and residency provided by the candidate pursuant to paragraph (b) of subsection

3. Such a copy:

(a) May not be withheld from the public; and

(b) Must not contain the social security number or driver's license or identification card number of the candidate.

5. By filing the declaration or acceptance of candidacy, the candidate shall be deemed to have appointed the city clerk as his or her agent for service of process for the purposes of a proceeding pursuant to NRS 293C.186. Service of such process must first be attempted at the appropriate address as specified by the candidate in the declaration or acceptance of candidacy. If the candidate cannot be served at that address, service must be made by personally delivering to and leaving with the city clerk duplicate copies of the process. The city clerk shall immediately send, by registered or certified mail, one of the copies to the candidate at the specified address, unless the candidate has designated in writing to the city clerk a different address for that purpose, in which case the city clerk shall mail the copy to the last address so designated.

6. If the city clerk receives credible evidence indicating that a candidate has been convicted of a felony and has not had his or her civil rights restored , ~~by a court of competent jurisdiction,~~ the city clerk:

(a) May conduct an investigation to determine whether the candidate has been convicted of a felony and, if so, whether the candidate has had his or her civil rights restored ; ~~by a court of competent jurisdiction;~~ and

(b) Shall transmit the credible evidence and the findings from such investigation to the city attorney.

7. The receipt of information by the city attorney pursuant to subsection 6 must be treated as a challenge of a candidate pursuant to subsections 4 and 5 of NRS 293C.186. If the ballots are printed before a court of competent jurisdiction makes a determination that a candidate has been convicted of a felony and has not had his or her civil rights restored , ~~by a court of competent jurisdiction,~~ the city clerk must post a notice at each polling place where the candidate's name will appear on the ballot informing the voters that the candidate is disqualified from entering upon the duties of the office for which the candidate filed the declaration of candidacy or acceptance of candidacy.

Assemblyman Segerblom moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 359.

Bill read third time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 436.

AN ACT relating to energy; revising the categories of uses, capacity goals and prospective expiration of the Waterpower Energy Systems Demonstration Program; revising provisions governing net metering for waterpower energy systems; ~~providing that systems which generate electricity from the recovery of waste heat from a qualified energy recovery process may qualify for net metering under certain circumstances;~~ **increasing** ~~revising~~ the cumulative capacity requirement for net metering systems; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Waterpower Energy Systems Demonstration Program was established for agricultural uses with a goal of the installation of not less than 500 kilowatts of waterpower energy systems in this State by 2012. (NRS 701B.820, 701B.840) The Waterpower Program is currently set to expire on June 30, 2011. **Section 1** of this bill expands the Waterpower Program to encompass ~~municipal uses;~~ **Indian tribes and tribal organizations that are customers of a utility.** **Section 2** of this bill increases the capacity goals for the Waterpower Program ~~to~~ **and limits the amount of any rebate provided pursuant to the Waterpower Program,** and **sections 9-11** of this bill extend the Waterpower Program until June 30, ~~2019.~~ **2016.** **Section 6** of this bill authorizes a person who installs a waterpower energy system to participate in net metering if the waterpower energy system is located on property owned by the customer-generator and generates electricity primarily intended to offset the customer-generator's requirements for electricity on that property or contiguous property owned by the customer-generator.

~~Sections 3, 4 and 6 of this bill authorize a person to participate in net metering if the person operates a system that generates electricity through the use of waste heat from a qualified energy recovery process.~~

Each electric utility in this State is required to offer net metering to customer-generators of the utility until the cumulative capacity of net metering systems in the service area of the utility is equal to 1 percent of the utility's peak capacity. (NRS 704.773) **Section 7** of this bill ~~increases~~ **requires a utility to offer net metering until the cumulative capacity of net metering systems is equal to 1 percent of the total peak capacity of all utilities in this State and further authorizes the Public Utilities Commission of Nevada to increase** the cumulative capacity requirement for net metering to ~~5~~ **1.5** percent of the ~~utility's~~ **total** peak capacity. ~~Section 7 also prohibits a utility from charging a customer generator who participates in net metering any fee or charge because the customer generator does not generate electricity.~~ **of all utilities in this State under certain circumstances.**

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

Section 1. NRS 701B.820 is hereby amended to read as follows:

701B.820 1. The Waterpower Energy Systems Demonstration Program is hereby created.

2. The Waterpower Demonstration Program is created for ~~agricultural and municipal uses.~~ :

(a) Agricultural uses; and

(b) Indian tribes and tribal organizations that are customers of a utility.

3. To be eligible to participate in the Waterpower Demonstration Program, a person must meet the qualifications established pursuant to subsection 4, apply to a utility and be selected by the utility for inclusion in the Waterpower Demonstration Program.

4. The Commission shall adopt regulations providing for the qualifications an applicant must meet to qualify to participate in the Waterpower Demonstration Program.

Sec. 2. NRS 701B.840 is hereby amended to read as follows:

701B.840 The Commission shall adopt regulations that establish:

1. The capacity goals for the Program, which must be designed to meet the goal of the Legislature of the installation of not less than ~~{500 kilowatts} {1 megawatt of waterpower energy systems in this State by} {2012} {2014, not less than 10 megawatts of waterpower energy systems in this State by 2016 and not less than 25}~~ **5 megawatts of waterpower energy systems in this State by {2020} 2016** and the goals for each category of the Program. **The regulations must provide that not less than 1 megawatt of capacity must be set aside for the installation of waterpower energy systems with a nameplate capacity of 100 kilowatts or less.**

2. A system of incentives that are based on rebates that decline as the capacity goals for the Program and the goals for each category of the Program are met. The rebates must be based on predicted energy savings. **The regulations must provide that the amount of any rebate provided pursuant to the Program must not exceed 50 percent of the total cost of the installation of the waterpower energy system for which the rebate is provided.**

3. The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

Sec. 3. ~~{Chapter 704 of NRS is hereby amended by adding thereto a new section to read as follows:~~

“Qualified energy recovery process” has the meaning ascribed to it in NRS 704.7809. ~~(Deleted by amendment.)~~

Sec. 3.5. **Chapter 704 of NRS is hereby amended by adding thereto a new section to read as follows:**

“Contiguous” means either abutting directly on the boundary or separated by a street, alley, public right-of-way, creek, river or the right-of-way of a railroad or other public service corporation.

Sec. 4. NRS 704.766 is hereby amended to read as follows:

704.766 It is hereby declared to be the purpose and policy of the Legislature in enacting NRS 704.766 to 704.775, inclusive, **and section 3.5 of this act** to:

1. Encourage private investment in renewable energy resources ; ~~and qualified energy recovery processes;~~
2. Stimulate the economic growth of this State;
3. Enhance the continued diversification of the energy resources used in this State; and
4. Streamline the process for customers of a utility to apply for and install net metering systems.

Sec. 5. NRS 704.767 is hereby amended to read as follows:

704.767 As used in NRS 704.766 to 704.775, inclusive, **and section 3.5 of this act**, unless the context otherwise requires, the words and terms defined in NRS 704.768 to 704.772, inclusive, **and section 3.5 of this act** have the meanings ascribed to them in those sections.

Sec. 6. NRS 704.771 is hereby amended to read as follows:

704.771 1. “Net metering system” means ~~it~~ :

(a) A facility or energy system for the generation of electricity that:

- ~~1. Uses renewable energy for waste heat from a qualified energy recovery process;~~ as its primary source of energy to generate electricity;
- ~~2. Has a generating capacity of not more than 1 megawatt;~~
- ~~3. Is located on the customer-generator’s premises;~~
- ~~4. Operates in parallel with the utility’s transmission and distribution facilities; and~~

~~5. Is intended primarily to offset part or all of the customer-generator’s requirements for electricity~~ ; or

(b) A facility or system for the generation of electricity that:

- (1)** Uses waterpower as its primary source of energy to generate electricity;
- (2)** Is located on property owned by the customer-generator;
- (3)** Has a generating capacity of not more than 1 megawatt;
- (4)** Generates electricity that is delivered to the transmission and distribution facilities of the utility; and
- (5)** Is intended primarily to offset all or part of the customer-generator’s requirements for electricity on that property or contiguous property owned by the customer-generator.

2. The term does not include a facility or energy system for the generation of electricity which has a generating capacity that exceeds the greater of:

(a) The limit on the demand that the class of customer of the customer-generator may place on the system of the utility; or

(b) One hundred fifty ;

~~(c) Which is used to produce more than 150~~ percent of the ~~peak demand of the customer.~~ **customer-generator’s annual requirements for electricity.**
~~;~~ or

~~(b) Which is part of a larger system that aggregates electricity generated from renewable energy for resale or for use at a location other than the premises on which the facility or energy system is located.]~~

Sec. 7. NRS 704.773 is hereby amended to read as follows:

704.773 1. ~~1A) Except as otherwise provided in this subsection, a~~ utility shall offer net metering, as set forth in NRS 704.775, to the customer-generators operating within its service area until the cumulative capacity of all such net metering systems is equal to 1.5 percent of the ~~utility's total~~ peak capacity of all utilities in this State. If, at any time, the Commission determines that the cumulative capacity of all such net metering systems is 0.8 percent or more of the total peak capacity of all utilities in this State, the Commission may issue an order requiring a utility to offer net metering, as set forth in NRS 704.775, to the customer-generators operating within its service area until the cumulative capacity of all such net metering systems is equal to 1.5 percent of the total peak capacity of all utilities in this State.

2. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of not more than ~~100~~ 25 kilowatts, the utility:

(a) Shall offer to make available to the customer-generator an energy meter that is capable of registering the flow of electricity in two directions.

(b) May, at its own expense and with the written consent of the customer-generator, install one or more additional meters to monitor the flow of electricity in each direction.

(c) Shall not charge a customer-generator any fee or charge that would increase the customer-generator's minimum monthly charge to an amount greater than that of other customers of the utility in the same rate class as the customer-generator.

3. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of more than ~~100~~ 25 kilowatts, ~~[but not more than 1 megawatt,]~~ the utility:

(a) May require the customer-generator to install at its own cost:

(1) An energy meter that is capable of measuring generation output and customer load; and

(2) Any upgrades to the system of the utility that are required to make the net metering system compatible with the system of the utility.

(b) Except as otherwise provided in paragraph (c), may charge the customer-generator any applicable fee or charge charged to other customers of the utility in the same rate class as the customer-generator, including, without limitation, customer, demand and facility charges.

(c) Shall not charge the customer-generator any standby charge.

~~[(d) Shall not charge the customer-generator any fee or charge for not generating electricity.]~~

➡ At the time of installation or upgrade of any portion of a net metering system, the utility must allow a customer-generator governed by this

subsection to pay the entire cost of the installation or upgrade of the portion of the net metering system.

4. **If the net metering system of a customer-generator is a net metering system described in paragraph (b) of subsection 1 of NRS 704.771 and:**

(a) The system is intended primarily to offset part or all of the customer-generator's requirements for electricity on property contiguous to the property on which the net metering system is located; and

(b) The customer-generator sells or transfers his or her interest in the contiguous property.

↳ the net metering system ceases to be eligible to participate in net metering.

5. The Commission shall adopt regulations prescribing the form and substance for a net metering tariff and a standard net metering contract. The regulations must include, without limitation:

(a) The particular provisions, limitations and responsibilities of a customer-generator which must be included in a net metering tariff with regard to:

- (1) Metering equipment;
- (2) Net energy metering and billing; and
- (3) Interconnection,

↳ based on the allowable size of the net metering system.

(b) The particular provisions, limitations and responsibilities of a customer-generator and the utility which must be included in a standard net metering contract.

(c) A timeline for processing applications and contracts for net metering applicants.

(d) Any other provisions the Commission finds necessary to carry out the provisions of NRS 704.766 to 704.775, inclusive ~~1.4~~, **and section 3.5 of this act.**

~~Sec. 8. NRS 704.7809 is hereby amended to read as follows:~~

~~704.7809 1. "Qualified energy recovery process" means a system with a nameplate capacity of not more than 15 megawatts that converts the otherwise lost energy from:~~

~~(a) The heat from exhaust stacks or pipes used for engines or manufacturing or industrial processes; or~~

~~(b) The reduction of high pressure in water or gas pipelines before the distribution of the water or gas;~~

~~↳ to generate electricity if the system does not use additional fossil fuel or require a combustion process to generate such electricity.~~

~~2. The term does not include any system **that has an output of greater than 150 kilowatts** and that uses energy, lost or otherwise, from a process whose primary purpose is the generation of electricity, including, without limitation, any process involving engine driven generation or pumped hydrogeneration.~~ **(Deleted by amendment.)**

Sec. 8.5. NRS 704.7815 is hereby amended to read as follows:

704.7815 “Renewable energy system” means:

1. A facility or energy system that uses renewable energy or energy from a qualified energy recovery process to generate electricity and:

(a) Uses the electricity that it generates from renewable energy or energy from a qualified recovery process in this State; or

(b) Transmits or distributes the electricity that it generates from renewable energy or energy from a qualified energy recovery process to a provider of electric service for delivery into and use in this State.

2. A solar energy system that reduces the consumption of electricity or any fossil fuel.

3. A net metering system used by a customer-generator pursuant to NRS 704.766 to 704.775, inclusive, ~~and~~ **and section 3.5 of this act.**

Sec. 9. Section 113 of chapter 509, Statutes of Nevada 2007, at page 2999, is hereby amended to read as follows:

Sec. 113. 1. This act becomes effective:

(a) Upon passage and approval for the purposes of adopting regulations and taking such other actions as are necessary to carry out the provisions of this act; and

(b) For all other purposes besides those described in paragraph (a):

(1) For this section and sections 1, 30, 32, 36 to 46, inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of this act, upon passage and approval.

(2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3, 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.

(3) For sections 62 to 106, inclusive, of this act, on October 1, 2007.

(4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of this act, on January 1, 2009.

(5) For section 48 of this act, on January 1, 2010.

(6) For section 50 of this act, on January 1, 2011.

2. Sections 62 to ~~106,~~ **86**, inclusive, of this act expire by limitation on June 30, 2011.

3. Sections 87 to 105, inclusive, of this act expire by limitation on June 30, ~~2019,~~ 2016.

Sec. 10. Section 13 of chapter 246, Statutes of Nevada 2009, at page 1002, is hereby amended to read as follows:

Sec. 13. 1. This act becomes effective on July 1, 2009.

2. ~~{Sections 2 and 3}~~ **Section 2** of this act ~~{expire}~~ **expires** by limitation on June 30, 2011.

3. Section 3 of this act expires by limitation on June 30, ~~2019,~~ 2016.

Sec. 11. Section 21 of chapter 321, Statutes of Nevada 2009, at page 1410, is hereby amended to read as follows:

Sec. 21. 1. This section and sections 1 to 1.51, inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive, of this act become effective upon passage and approval.

2. Sections 1.51, 1.85, 1.87, 1.92, 1.93 ~~{, 1.95,}~~ **and** 4.3 to ~~19,~~ **7**, inclusive, ~~{and 19.4}~~ of this act expire by limitation on June 30, 2011.

3. ~~[Sections 1.53 and 19.8]~~ **Section 1.53** of this act ~~[become]~~ **becomes** effective on July 1, 2011.

4. **Sections 1.95 and 7.1 to 9, inclusive, of this act expire by limitation on June 30, ~~[2019.]~~ 2016.**

5. **Section 19.8 of this act becomes effective on July 1, ~~[2019.]~~ 2016.**

Sec. 12. 1. This section and sections 9, 10 and 11 of this act become effective upon passage and approval.

2. Sections 1 to ~~19.8.5,~~ **8.5,** inclusive, of this act become effective on July 1, 2011.

3. Sections 1 and 2 of this act expire by limitation on June 30, ~~[2019.]~~ **2016.**

Assemblyman Atkinson moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 363.

Bill read third time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 282.

AN ACT relating to manufactured housing; authorizing a city or county building department to enforce regulations and conduct inspections with respect to the installation and tie down of manufactured homes, mobile homes and commercial coaches without obtaining written approval from the Manufactured Housing Division of the Department of Business and Industry; requiring a city or county building department to provide certain notices to the Division; ~~[authorizing a licensed contractor to perform any work on a mobile home, manufactured home, manufactured building, commercial coach or factory built housing that is within the scope of his or her contractor's license issued by the State Contractors' Board;]~~ **requiring the Division to develop and enter into certain cooperative agreements with a city or county building department;** exempting a **licensed** contractor from **certain** provisions governing licensure **as a specialty serviceperson** by the ~~[Manufactured Housing]~~ Division; ~~[under certain circumstances;]~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a city or county building department to obtain written approval from the Manufactured Housing Division of the Department of Business and Industry before enforcing certain regulations and conducting inspections with respect to the installation and tie down of manufactured homes, mobile homes and commercial coaches. (NRS 489.287) **Section 1** of this bill removes the requirement that a city or county building department obtain written approval from the Division before enforcing such regulations and conducting such inspections. **Section 1** also requires the city or county building department to provide written notice to the Division of its intent to

begin or cease such enforcement or inspections ~~It~~ **and requires the Division, upon receipt of such notice, to develop and enter into a cooperative agreement with the city or county building department which sets forth the respective duties and responsibilities of the Division and the city or county building department.**

Existing law prohibits a person who is licensed as a contractor by the State Contractors' Board from performing any work on a mobile home, manufactured home, manufactured building, commercial coach or factory-built housing without obtaining a license from the Division. (NRS 489.311, 624.284) ~~Sections 2 and 5 of this bill authorize a licensed contractor to perform any work on a mobile home, manufactured home, manufactured building, commercial coach or factory-built housing that is within the scope of his or her contractor's license without obtaining a license from or satisfying any requirements for licensure by the Division.~~ **Sections 2.3 and 2.7 of this bill exempt a person who is licensed as a contractor by the State Contractors' Board from certain requirements for licensure as a specialty serviceperson by the Division.**

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

Section 1. NRS 489.287 is hereby amended to read as follows:

489.287 1. Except as otherwise provided in subsection 2, a city or county building department may, ~~with the written approval of the Division,~~ **upon providing notice to the Division pursuant to subsection 3,** enforce all regulations adopted pursuant to this chapter and make all inspections within its jurisdiction required by those regulations regarding the installation and tie down of manufactured homes, mobile homes or commercial coaches. Those inspections must be conducted in compliance with the provisions of this chapter and the regulations adopted pursuant to this chapter.

2. If a city or county building department fails to enforce the regulations adopted pursuant to this chapter or make the inspections required by subsection 1, the Division shall enforce those regulations and make the inspections in that jurisdiction, and may, at no cost to the local governing body, engage an independent contractor to perform any inspection.

3. ***A city or county building department shall, before enforcing regulations or conducting inspections pursuant to subsection 1, provide written notice to the Division of the intention of the city or county building department to enforce such regulations or conduct inspections. If the city or county building department ceases to enforce regulations or conduct inspections pursuant to subsection 1, the city or county building department shall provide written notice to the Division before cessation of such enforcement and inspections.***

4. ***If the Division receives notice of the intention of a city or county building department to enforce regulations or conduct inspections pursuant to subsection 3, the Division shall develop and enter into a written***

cooperative agreement with the city or county building department setting forth the respective duties and responsibilities of each party to the cooperative agreement.

Sec. 2. ~~NRS 489.311 is hereby amended to read as follows:~~

~~489.311 1. Except as otherwise provided by **subsection 3 and** NRS 489.331, no person may engage or offer to engage in the business of a dealer, distributor, manufacturer, general serviceperson or specialty serviceperson in this State, or be entitled to any other license or permit required by this chapter, until the person has applied for and has been issued a license by the Division.~~

~~2. For the purposes of this section, a person engages in the business of a dealer, distributor, manufacturer, general serviceperson or specialty serviceperson in this State if the person, without limitation, submits a bid to perform any activity requiring a license pursuant to this section.~~

~~3. **Notwithstanding the provisions of any other law, a person who holds a valid contractor's license issued by the State Contractors' Board pursuant to chapter 624 of NRS** [may, without obtaining a license pursuant to or meeting any other requirement for licensure required by this chapter,] **perform any work on a mobile home, manufactured home, manufactured building, commercial coach or factory built housing that is within the scope of his or her contractor's license[.]]** (Deleted by amendment.)~~

Sec. 2.3. NRS 489.323 is hereby amended to read as follows:

~~489.323 **##** 1. Except as otherwise provided in subsection 2, if~~ a licensee is a dealer, distributor, general serviceperson, specialty serviceperson, responsible managing employee or salesperson, the Division shall not renew a license issued to that licensee until the licensee has submitted proof satisfactory to the Division that the licensee has, during the 2-year period immediately preceding the renewal of the license, completed at least 8 hours of continuing education approved by the Division pursuant to NRS 489.285.

2. A person who holds a valid contractor's license issued by the State Contractors' Board pursuant to chapter 624 of NRS and who has been issued a license as a specialty serviceperson pursuant to NRS 489.325 is not required to complete the continuing education requirements for the renewal of his or her license as a specialty serviceperson prescribed by subsection 1.

Sec. 2.7. NRS 489.351 is hereby amended to read as follows:

~~489.351 1. Except as otherwise provided in subsection 2, the Administrator shall require an oral or written examination of each applicant for a license as a dealer, distributor, responsible managing employee, salesperson, general serviceperson or specialty serviceperson.~~

~~2. The Administrator may waive the examination required pursuant to subsection 1 for an applicant for a license as a specialty serviceperson if:~~

~~(a) The applicant holds another valid license issued by this State; **and**~~

(b) The services performed by the applicant pursuant to that license are substantially similar to the services to be performed by the applicant as a specialty serviceperson ~~11~~; and

(c) For an applicant who holds a valid contractor's license issued by the State Contractors' Board pursuant to chapter 624 of NRS, the applicant provides proof satisfactory to the Division that the applicant, through training or experience, is qualified to perform the work for which the applicant seeks licensure.

Sec. 3. ~~NRS 118B.067 is hereby amended to read as follows:~~

~~118B.067—1. If a landlord approves the placement of a manufactured home on a lot in a park and it is determined after the home is placed on the lot that the placement of the home does not comply with the requirements of the local ordinances relating to that placement, the landlord shall pay the cost to ensure compliance with those requirements.~~

~~2. A landlord shall notify any tenant who is bringing a manufactured home which is new to the manufactured home park into the manufactured home park that the provisions of NRS 489.311 require that only persons licensed by the State of Nevada as **contractors or** general servicepersons are legally permitted to set up and install a manufactured home. Before the tenant may bring such a manufactured home into the manufactured home park, the tenant must provide to the landlord a copy of the license issued pursuant to NRS 489.311 **or chapter 624 of NRS** to the person who will be installing the manufactured home.~~ **(Deleted by amendment.)**

Sec. 4. NRS 624.3015 is hereby amended to read as follows:

624.3015 The following acts, among others, constitute cause for disciplinary action under NRS 624.300:

1. Acting in the capacity of a contractor beyond the scope of the license.
2. Bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the Board.
3. Knowingly bidding to contract or entering into a contract with a contractor for work in excess of his or her limit or beyond the scope of his or her license.
4. Knowingly entering into a contract with a contractor while that contractor is not licensed.
5. Constructing or repairing a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing unless the contractor:

(a) Is ~~1~~

~~(a) The work is within the scope of his or her license;~~

~~(b) The contractor is~~ licensed pursuant to NRS 489.311 ~~11~~, **489.321** or **489.325**; or

(b) Owns,

~~1~~ ~~(c) The contractor owns,~~ leases or rents the mobile home, manufactured home, manufactured building, commercial coach or factory-built housing.

6. Engaging in any work or activities that require a contractor's license while the license is placed on inactive status pursuant to NRS 624.282.

Sec. 5. ~~NRS 624.284 is hereby repealed.~~ (Deleted by amendment.)

~~TEXT OF REPEALED SECTION~~

~~624.284 License: Limitation of scope. A contractor's license issued pursuant to this chapter does not authorize a contractor to construct or repair a mobile home, manufactured home, manufactured building or commercial coach or factory built housing.~~

Assemblyman Atkinson moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 379.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 456.

AN ACT relating to crimes; establishing the crime of stolen valor; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The federal Stolen Valor Act of 2005 prohibits a person from falsely representing himself or herself, verbally or in writing, to have been awarded certain military decorations or awards. A person who violates this provision may be fined, imprisoned for not more than 6 months or both fined and imprisoned. (18 U.S.C. § 704(b)) The United States Court of Appeals for the Ninth Circuit recently held that the Stolen Valor Act is facially invalid pursuant to the First Amendment to the Constitution of the United States and is therefore unconstitutional. The Ninth Circuit Court found that the Act as currently drafted restricts free speech rights, but the Court suggested that the statute could be modified into a constitutional anti-fraud statute. (*United States v. Alvarez*, 617 F.3d 1198, 1212, 1217 (9th Cir. 2010)) The Court noted that to prove that a person is liable for fraud, it must be shown that the person knowingly made a false representation of fact to intentionally mislead another person and successfully misled the other person through such false representation. (*United States v. Alvarez*, 617 F.3d 1198, 1211 (9th Cir. 2010) (citing *Ill. ex rel. Madigan v. Telemarketing Assocs., Inc.*, 538 U.S. 600, 620 (2003)))

Existing Nevada law prohibits a person from willfully wearing the badge, button, insignia or rosette of any military order or of any secret order or society, or from using any such item to obtain aid, assistance or any other benefit or advantage, if the person is not entitled to wear or use any such items. (NRS 205.410) This bill repeals existing Nevada law and provides that a person commits the crime of stolen valor if the person knowingly, with the intent to mislead or defraud and with the intent to obtain ~~some benefit or~~ something of value, misleads or defrauds another person by ~~committing~~

~~various acts concerning the~~ **making any** false representation of ~~himself or herself with relation to~~ **his or her** military service ~~and obtains something of value~~. **If the amount of the loss caused by the violation: (1) is less than \$2,500, the person who committed the violation is guilty of a gross misdemeanor; and (2) is \$2,500 or more, the person who committed the violation is guilty of a category E felony.**

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

Section 1. Chapter 205 of NRS is hereby amended by adding thereto a new section to read as follows:

1. ~~A person shall not~~ is guilty of the crime of stolen valor if the person knowingly, with the intent to mislead or defraud:

(a) ~~Make~~ **Makes** any false representation of military service, including, without limitation, falsely representing his or her current or former military status, claiming that he or she served in the Armed Forces of the United States, a reserve component thereof or the National Guard, or that he or she served in a combat zone;

(b) ~~Make~~ **Makes** any such false representation with the intent to obtain ~~employment, be elected or appointed to public office or obtain~~ something of value; and

(c) ~~Mislead~~ **Misleads** or ~~defraud~~ **defrauds** another person through such false representation and ~~to obtain employment, be elected or appointed to public office or obtain~~ **obtains** something of value.

2. ~~A person shall not knowingly, with the intent to mislead or defraud:~~

(a) ~~Falsely represent himself or herself by wearing any military decoration or medal authorized by Congress for the Armed Forces of the United States, any service medal or badge awarded to members of such forces, any ribbon, button or rosette of any such badge, decoration or medal, or any colorable imitation of such items;~~

(b) ~~Make such false representation with the intent to obtain something of value; and~~

(c) ~~Mislead or defraud another person through such false representation and obtain something of value.~~

3. ~~A person shall not knowingly, with the intent to mislead or defraud:~~

(a) ~~Falsely represent himself or herself, verbally or in writing, to have been awarded any military decoration or medal authorized by Congress for the Armed Forces of the United States, any service medal or badge awarded to members of such forces, any ribbon, button or rosette of any such badge, decoration or medal, or any colorable imitation of such items;~~

(b) ~~Make such false representation with the intent to obtain something of value; and~~

(c) ~~Mislead or defraud another person through such false representation and obtain something of value.~~

4. ~~A person shall not knowingly, with the intent to mislead or defraud:~~

~~(a) Falsely claim, verbally or in writing, to be or to have been a member of any elite United States Special Operations Command (USSOCOM) of the Armed Forces of the United States, any of its component units or the predecessors of any such units by wearing or displaying the distinctive emblem, badge or pin thereof;~~

~~(b) Make such false claims with the intent to obtain something of value; and~~

~~(c) Mislead or defraud another person through such false claims and obtain something of value.~~

~~5. A person shall not knowingly, with the intent to mislead or defraud:~~

~~(a) Forge, counterfeit or falsely alter any military document of any military service of the United States, including, without limitation, a certificate of discharge or a military identification card or badge;~~

~~(b) Use for any purpose, unlawfully possess, display or exhibit any such false document with the intent to obtain something of value; and~~

~~(c) Mislead or defraud another person through the use of any such false document and obtain something of value.~~

~~6. A person who violates any provision of this section is guilty of the crime of stolen valor. A person who violates:~~

~~(a) Subsection 1 is guilty of a misdemeanor;~~

~~(b) Subsection 2, except as otherwise provided in subsection 7 or 8, is guilty of a misdemeanor;~~

~~(c) Subsection 3, except as otherwise provided in subsection 7 or 8, is guilty of a misdemeanor;~~

~~(d) Subsection 4 is guilty of a misdemeanor;~~

~~(e) Subsection 5 is guilty of a gross misdemeanor;~~

~~7. A person who violates subsection 2 or 3 by wearing or falsely representing himself or herself to have been awarded a Distinguished Service Cross, Navy Cross, Air Force Cross, Silver Star or Purple Heart, or any replacement or duplicate medal for any such medal as authorized by law, is guilty of a gross misdemeanor.~~

~~8. A person who violates subsection 2 or 3 by wearing or falsely representing himself or herself to have been awarded a Medal of Honor is guilty of a category E felony and shall be punished as provided in NRS 193.130.7. If the amount of the loss caused by a violation of subsection 1:~~

~~(a) Is less than \$2,500, the person who committed the violation is guilty of a gross misdemeanor.~~

~~(b) Is \$2,500 or more, the person who committed the violation is guilty of a category E felony and shall be punished as provided in NRS 193.130.~~

Sec. 2. NRS 205.410 is hereby repealed.

TEXT OF REPEALED SECTION

205.410 Improper use of insignia.

Every person who shall willfully wear the badge, button, insigne or rosette of any military order or of any secret order or society, or any similitude

thereof; or who shall use any such badge, button, insigne or rosette to obtain aid or assistance, or any other benefit or advantage, unless the person shall be entitled to so wear or use the same under the constitution, bylaws, rules and regulations of such order or society, shall be fined not more than \$500.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 382.

Bill read third time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 430.

AN ACT relating to health care; requiring the Chiropractic Physicians' Board of Nevada to establish a preceptor program; prescribing requirements for participation in the program; authorizing unlicensed persons participating in the program to perform chiropractic under certain circumstances; **authorizing an applicant for a license to practice chiropractic to perform chiropractic adjustment or manipulation under certain circumstances;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, with certain exceptions, a person is not allowed to engage in the practice of chiropractic unless he or she is licensed by the Chiropractic Physicians' Board of Nevada. (NRS 634.227) **Sections 3-5** of this bill require the Board to establish a preceptor program to enable a student who is enrolled in a college of chiropractic and satisfies other eligibility criteria to obtain supervised clinical experience under an agreement with a licensed chiropractor who is approved by the Board to act as a preceptor in the program. **Section 4** of this bill authorizes a student participating in the program to perform chiropractic, ~~for other than~~ **including** chiropractic adjustment or manipulation, under the direct supervision of a preceptor for up to 1 year. **Section 7 of this bill authorizes an applicant for a license to practice chiropractic to perform chiropractic adjustment or manipulation under the direct supervision of a chiropractor under certain circumstances.** **Section 8** of this bill authorizes the Board to impose a fee for filing an application to participate in the preceptor program. **Section 9** of this bill provides that a student who participates in the program and who performs chiropractic does not violate the law prohibiting the unlicensed practice of chiropractic.

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

Section 1. Chapter 634 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

Sec. 2. “Manipulation” means an application of a resistive movement by applying a nonspecific force, without the use of a thrust, which is directed into a region and not into a focal point of the anatomy.

Sec. 3. 1. The Board shall establish a preceptor program to provide supervised clinical experience to students enrolled in colleges of chiropractic.

2. The Board shall adopt regulations to carry out the preceptor program required by this section. The regulations must include, without limitation:

(a) The application procedure for participation in the preceptor program;

(b) Eligibility requirements for students which are in addition to the requirements set forth in section 4 of this act;

(c) The form, content and provisions required for a preceptor agreement between a student and a chiropractor; and

(d) Eligibility requirements for the approval of a chiropractor to serve as a preceptor which are in addition to the requirements set forth in section 5 of this act.

Sec. 4. 1. A student who wishes to participate in the preceptor program established by the Board pursuant to section 3 of this act must:

(a) File with the Board an application in the form required by the Board;

(b) Pay the fee for filing an application required by NRS 634.135;

(c) Be enrolled in his or her final academic year at a college of chiropractic that meets the criteria established in paragraph (b) of subsection 1 of NRS 634.090;

(d) Have completed all clinical work required by the Board;

(e) Enter into a preceptor agreement with a chiropractor who is approved by the Board to act as a preceptor pursuant to section 5 of this act; and

(f) Comply with any other requirements prescribed by the Board.

2. The Board may approve or deny an application for a student who wishes to participate in the preceptor program and shall provide notice to the student of its decision.

3. A student who is approved to participate in the preceptor program:

(a) May perform chiropractic, ~~other than~~ including, without limitation, chiropractic adjustment or manipulation, under the direct supervision of a chiropractor who is approved to act as a preceptor pursuant to section 5 of this act.

(b) Shall not perform chiropractic as a participant in the preceptor program for more than 1 year.

Sec. 5. 1. A chiropractor who wishes to act as a preceptor pursuant to the preceptor program established by the Board pursuant to section 3 of this act must:

(a) *File with the Board an application in the form required by the Board;*

(b) *Pay the fee for filing an application with the Board required by NRS 634.135;*

(c) *Hold in good standing a license on active status issued pursuant to this chapter;*

(d) *Have malpractice insurance as may be required by the Board; and*

(e) *Comply with any other requirements prescribed by the Board.*

2. The Board may approve or deny an application for a chiropractor to act as a preceptor and shall give notice to the chiropractor of its decision.

Sec. 6. NRS 634.010 is hereby amended to read as follows:

634.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 634.012 to 634.018, inclusive, **and section 2 of this act** have the meanings ascribed to them in those sections.

Sec. 7. NRS 634.105 is hereby amended to read as follows:

634.105 ~~{1.}~~ An applicant for a license to practice chiropractic who has the qualifications prescribed in NRS 634.090 may, while waiting to take the Board's examination but for no longer than 2 years, perform chiropractic, ~~but not~~ including , without limitation, chiropractic adjustment or manipulation, under the direct supervision of a chiropractor who is professionally and legally responsible for the applicant's performance.

~~{2.—As used in this section, “manipulation” means an application of a resistive movement by applying a nonspecific force, without the use of a thrust, which is directed into a region and not into a focal point of the anatomy.}~~

Sec. 8. NRS 634.135 is hereby amended to read as follows:

634.135 1. The Board may charge and collect fees not to exceed:

For an application for a license to practice chiropractic	\$200.00
For an examination for a license to practice chiropractic	200.00
For an application for, and the issuance of, a certificate as a chiropractor's assistant.....	100.00
For an examination for a certificate as a chiropractor's assistant	100.00
For the issuance of a license to practice chiropractic.....	300.00
For the biennial renewal of a license to practice chiropractic.....	1,000.00
For the biennial renewal of an inactive license to practice chiropractic	300.00
For the biennial renewal of a certificate as a chiropractor's assistant	200.00
For the restoration to active status of an inactive license to practice chiropractic	300.00
For reinstating a license to practice chiropractic which has been suspended or revoked	500.00
For reinstating a certificate as a chiropractor's assistant which has been suspended pursuant to NRS 634.130	100.00
For a review of any subject on the examination	25.00

For the issuance of a duplicate license or for changing the name on a license	35.00
For written verification of licensure or issuance of a certificate of good standing.....	25.00
For providing a list of persons who are licensed to practice chiropractic to a person who is not licensed to practice chiropractic	25.00
For providing a list of persons who were licensed to practice chiropractic following the most recent examination of the Board to a person who is not licensed to practice chiropractic.....	10.00
For a set of mailing labels containing the names and addresses of the persons who are licensed to practice chiropractic in this State	35.00
For providing a copy of the statutes, regulations and other rules governing the practice of chiropractic in this State to a person who is not licensed to practice chiropractic.....	25.00
For each page of a list of continuing education courses that have been approved by the Board.....	.50
For an application to a preceptor program offered by the Board to graduates of chiropractic schools or colleges.....	\$35.00
<i>For an application for a student or chiropractor to participate in the preceptor program established by the Board pursuant to section 3 of this act</i>	<i>35.00</i>
For a review by the Board of a course offered by a chiropractic school or college or a course of continuing education in chiropractic.....	25.00

2. In addition to the fees set forth in subsection 1, the Board may charge and collect reasonable and necessary fees for the expedited processing of a request or for any other incidental service it provides.

3. For a check or other method of payment made payable to the Board or tendered to the Board that is returned to the Board or otherwise dishonored upon presentation for payment, the Board shall assess and collect a fee in the amount established by the State Controller pursuant to NRS 353C.115.

Sec. 9. NRS 634.227 is hereby amended to read as follows:

634.227 1. A person who:

(a) Presents to the Board as his or her own the diploma, license or credentials of another;

(b) Gives false or forged evidence of any kind to the Board; or

(c) Practices chiropractic under a false or assumed name or falsely personates another licensee,

↪ is guilty of a misdemeanor.

2. Except as otherwise provided in NRS 634.105, **and section 4 of this act**, a person who does not hold a license issued pursuant to this chapter and:

(a) Practices chiropractic in this State;

(b) Holds himself or herself out as a chiropractor;

(c) Uses any combination, variation or abbreviation of the terms “chiropractor,” “chiropractic” or “chiropractic physician” as a professional or commercial representation; or

(d) Uses any means which directly or indirectly conveys to another person the impression that he or she is qualified or licensed to practice chiropractic, ➤ is guilty of a category D felony and shall be punished as provided in NRS 193.130.

Sec. 10. This act becomes effective:

1. Upon passage and approval for purposes of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

2. On October 1, 2011, for all other purposes.

Assemblyman Atkinson moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assemblyman Conklin moved that the Assembly recess until 6:30 p.m..

Motion carried.

Assembly in recess at 5:21 p.m.

ASSEMBLY IN SESSION

At 6:50 p.m.

Mr. Speaker presiding.

Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Judiciary, to which was referred Assembly Bill No. 373, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM C. HORNE, *Chair*

GENERAL FILE AND THIRD READING

Assembly Bill No. 373.

Bill read third time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 457.

SUMMARY—Prohibits the ~~willful~~ destruction of real property that is subject to foreclosure ~~for repossession.~~ **with the intent to defraud.** (BDR 15-98)

AN ACT relating to real property; prohibiting under certain circumstances the removal, ~~damaging~~ **concealing** or destruction of real property that is subject to foreclosure ~~for any other action affecting the title or possession of the real property;~~ **with the intent to defraud;** providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill provides that a person in possession of real property who, under certain circumstances, ~~willfully~~ removes, ~~damages~~ **conceals** or destroys any real property that is subject to foreclosure ~~for any other action affecting~~

~~the title or possession of the real property]~~ **with the intent to defraud and who causes a secured party to suffer pecuniary loss** is guilty of a ~~category E felony]~~ **misdemeanor.**

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

Section 1. Chapter 206 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A person who occupies real property, including a person with an ownership interest in the real property, who has personal knowledge of the pendency of an action for the foreclosure of a mortgage upon real property ~~or~~ or a proceeding for the judicial or other foreclosure of a deed of trust given to secure a loan made to purchase real property ~~for any other action affecting the title or possession of real property]~~ shall not remove, ~~damage]~~ **conceal or otherwise destroy any portion of the real property ~~with intent to diminish the value of the real property]~~ upon which a security interest exists.**

2. A person who ~~willfully violates]~~ :

(a) Violates the provisions of subsection 1 with the intent to defraud the secured party; and

(b) Causes the secured party to suffer a pecuniary loss upon the conclusion of a proceeding for the foreclosure of the real property,
is guilty of a ~~category E felony and shall be punished as provided in NRS 193.130.]~~ misdemeanor.

Assemblyman Horne moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 122.

Bill read third time.

Remarks by Assemblyman Livermore.

Roll call on Assembly Bill No. 122:

YEAS—41.

NAYS—Daly.

Assembly Bill No. 122 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 204.

Bill read third time.

Roll call on Assembly Bill No. 204:

YEAS—42.

NAYS—None.

Assembly Bill No. 204 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 81.

Bill read third time.

Roll call on Assembly Bill No. 81:

YEAS—32.

NAYS—Ellison, Goedhart, Grady, Hambrick, Hansen, Kite, Livermore, McArthur, Sherwood, Woodbury—10.

Assembly Bill No. 81 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 471.

Bill read third time.

Roll call on Assembly Bill No. 471:

YEAS—42.

NAYS—None.

Assembly Bill No. 471 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 182.

Bill read third time.

Remarks by Assemblyman Atkinson.

Assemblyman Conklin moved that the following remarks be entered in the Journal.

Motion carried.

ASSEMBLYMAN ATKINSON:

Thank you, Mr. Speaker. I rise in support of Assembly Bill 182. Assembly Bill 182 is enabling legislation that permits participating entities to seek approval for creation of inland ports and inland port authorities, the purposes of which are to promote, encourage, and aid in economic development and employment opportunities within Nevada. A participating entity is a county or a city. Nevada's Commission on Economic Development must develop a State Plan for Inland Ports and may only approve an application if the proposed inland port and authority are in conformance with the State Plan. An inland port must not contain any residential property and must be a contiguous area that contains at least two of the following: (1) a municipal airport; (2) a highway within the National Highway System; or (3) operating assets of one or more Class I railroads.

This is something we have talked about for quite some time. If you take a look at Dallas, Texas, they have the same concept that we are considering here in this state—something we have looked at in the interim in a committee that I sat on and chaired. We looked at this idea as a great opportunity to bring new business to the state and give our state a shot in the arm. Dallas has done this for quite some time. Over the last ten years, they have brought \$20 billion to their state, an average of \$2 billion per year. I do not think any of us can argue the fact that our state badly needs the income. This is a first effort and hopefully we will get others to get on board with this, which they already have. I urge your support. Thank you.

Roll call on Assembly Bill No. 182:

YEAS—42.

NAYS—None.

Assembly Bill No. 182 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that upon return from the printer, Assembly Bills Nos. 359 and 363 be taken from the General File and rereferred to the Committee on Ways and Means.

Motion carried.

NOTICE OF EXEMPTION

April 26, 2011

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bills Nos. 177 and 185.

MARK KRMPOTIC
Fiscal Analysis Division

GENERAL FILE AND THIRD READING

Assembly Bill No. 301.

Bill read third time.

Remarks by Assemblyman Segerblom.

Roll call on Assembly Bill No. 301:

YEAS—27.

NAYS—Ellison, Goicoechea, Grady, Hambrick, Hammond, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Sherwood, Stewart, Woodbury—15.

Assembly Bill No. 301 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 379.

Bill read third time.

Roll call on Assembly Bill No. 379:

YEAS—42.

NAYS—None.

Assembly Bill No. 379 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 382.

Bill read third time.

Remarks by Assemblymen Hammond and Conklin.

Assemblyman Conklin moved that the following remarks be entered in the Journal.

Motion carried.

ASSEMBLYMAN HAMMOND:

Thank you, Mr. Speaker. There is no controversy with this bill. This bill is good. That is all I have to say.

ASSEMBLYMAN CONKLIN:

Thank you, Mr. Speaker. To the sponsor of the bill, Section 2, line 3, on the first page of the bill, talks about the word *manipulation*. This is a shared concept in law, one to the chiropractic statutes and one to the physical therapy statutes, and I want to make it perfectly clear on the

record, your intent. My understanding is it is the intent to apply to the chiropractor statutes and not to others. I just wanted to hear it from you before I cast my vote. Thank you.

ASSEMBLYMAN HAMMOND:

Thank you. To my colleague from the south, I believe that that is the intent of the chiropractors—to make sure those who are licensed to practice chiropractic medicine will be the ones who supervise those who are in their preceptorship program and they will be doing everything they can do right now, which is the manipulations that they perform.

Roll call on Assembly Bill No. 382:

YEAS—42.

NAYS—None.

Assembly Bill No. 382 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 7:08 p.m.

ASSEMBLY IN SESSION

At 7:10 p.m.

Mr. Speaker presiding.

Quorum present.

Assembly Bill No. 373.

Bill read third time.

Remarks by Assemblymen Goicoechea, Frierson, Carlton, Horne, Anderson, Brooks, Kirkpatrick, and Atkinson.

Assemblymen Conklin, Kirkpatrick, and Grady moved the previous question.

The question being the passage of Assembly Bill No. 373.

Roll call on Assembly Bill No. 373:

YEAS—34.

NAYS—Atkinson, Brooks, Carlton, Carrillo, Diaz, Ohrenschall, Pierce, Segerblom—8.

Assembly Bill No. 373 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 7:26 p.m.

ASSEMBLY IN SESSION

At 7:29 p.m.

Mr. Speaker presiding.

Quorum present.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bill No. 144; Assembly Joint Resolution No. 9; Assembly Concurrent Resolution No. 8.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblywoman Bustamante Adams, the privilege of the floor of the Assembly Chamber for this day was extended to Ariana Miranda.

On request of Assemblyman Daly, the privilege of the floor of the Assembly Chamber for this day was extended to the following students and chaperones from Hidden Valley Elementary School: Michael Acosta, Symantha Adkisson, Marcus Avalos, Rylie Black, Hailey Brooks, Chase Bump, Jared Carmack, Gabriel Castro Lopez, Dakota Christy, Jacob Clark, Kiyla Dick, Peyton Dillard, Cassandra Esquivel Ramirez, Argelia Feliz-Lopez, Graciela Gonzalez Valles, Kira Hallerbach, Trevor Izzarelli, Nick McVicker, Nicholas Myers, Shovante Shaw-Thomas, Ana Swaim, Jessica Torres Ramirez, Lorenzo Vega Rivera, Joanna Velazquez-Pena, Levi Williams, Bryan Banuelos, Kenzie Barainca, Joseph Bolinger, Keiley Byrge, Jacqueline Del Real, Lily Domes, Cecelia Eben, Shailyn Fitzgerald, Rudy Garcia, Cielo Garcia, Lindsey Gardner, Joni Meredith, Denise Allen, Michael Holt, Colton Jacobson, Liliana Ocegueda, Chandon Pierre, Jessamyn Powers-Pidlypchal, Brayan Rivera, Sophie Schler, Merit Schmid, Jesse Steele, Cole Williams, James Yocum, Greg West, Brigid Butler, Nicholas Chapman, Alaina Cronick, Raymond Dube, Loren Elder, Adrian Esquivel, Monique Galindo, Alan Gallegos, Logan Gribas, Larsa Guzman, John Keeley, Abigayle Lokey, Julieta Martinez, Disha Patel, Osvin Ponce, Esteban Resa, Isaiah Rios, William Romero-Medina, Madelyn Ruiz, Joseph Sarratea, Lauren Van Dorn, Alec Wong, and Brenden Wood.

On request of Assemblyman Grady, the privilege of the floor of the Assembly Chamber for this day was extended to Len Hughes.

On request of Assemblyman Kirner, the privilege of the floor of the Assembly Chamber for this day was extended to the following students and chaperones from Sage Ridge School: Nicole Becker, Mallory Benna, Llona Coote, Christopher Cunningham, Taylor DeProsse, Colton Johnson, Alexandra Kenyherz, Gabriella Latham-Kapitz, Norman Kilbourn, Noelle Kim, Claire Macauley, Sarah Madison, Kaisa Newberg, Ana Ohnersorgen, Isabel Pickering, Nicholas Stadler, Lindsay Stover, Carly Williamson, Ashley Christopherson, So-Yon Jang, Alexis Garduno, Beatrice Robinson, Hong Yi Zhang, Blair Bailey, Rob VanCleve, and Meghan Ward.

On request of Assemblyman Sherwood, the privilege of the floor of the Assembly Chamber for this day was extended to Burlin H. Ackles III.

Assemblyman Conklin moved that the Assembly adjourn until Wednesday, April 27, 2011, at 11 a.m.

Motion carried.

Assembly adjourned at 7:31 p.m.

Approved:

JOHN OCEGUERA
Speaker of the Assembly

Attest: SUSAN FURLONG

Chief Clerk of the Assembly