THE SIXTIETH DAY

CARSON CITY (Thursday), April 7, 2011

Senate called to order at 11:10 a.m.

President Krolicki presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Albert Tilstra.

Eternal Father, in this moment of prayer, when there is silence in this Chamber, may there not be silence in Your presence. May our prayers be heard.

May no short circuits be made by our lack of faith, our high professions joined to low attainments, our fine words hiding shabby thoughts, our friendly faces masking cold hearts.

Out of the same old needs, conscious of the same old faults, we pray on the same old terms for new mercies and new blessings.

We pray today to the One who has given us assurance that You will hear and answer our prayers.

AMEN.

Pledge of Allegiance to the Flag.

Senator Horsford moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.

Motion carried

REPORTS OF COMMITTEES

Mr. President:

Your Committee on Commerce, Labor and Energy, to which was referred Senate Bill No. 440, has had the same under consideration, and begs leave to report the same back with the recommendation: Re-refer to the Committee on Finance.

MICHAEL A. SCHNEIDER. Chair

Mr. President:

Your Committee on Education, to which was referred Senate Bill No. 317, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MO DENIS, Chair

Mr. President:

Your Committee on Judiciary, to which were referred Senate Bills Nos. 175, 279, 348; Senate Joint Resolution No. 14, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

VALERIE WIENER, Chair

Mr. President:

Your Committee on Natural Resources, to which was referred Senate Bill No. 120, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARK A. MANENDO, Chair

MOTIONS, RESOLUTIONS AND NOTICES

Senator Wiener moved that Senate Bill No. 440 be re-referred to the Committee on Finance.

Motion carried.

Senator Wiener moved that Senate Bill No. 242 be taken from General File and be re-referred to the Committee on Finance.

Remarks by Senator Schneider.

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 30.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 80.

"SUMMARY—Makes various changes relating to common-interest communities. (BDR 10-477)"

"AN ACT relating to common-interest communities; providing for the electronic transfer of money to the [State Treasurer] United States Government or federal or state agencies under certain circumstances; [requiring the executive board of] authorizing an association to [establish certain procedures if the association uses] use electronic signatures to withdraw money from [certain accounts;] the operating account of the association under certain circumstances; revising provisions relating to the requirement that the executive board of an association make certain records available for review at a designated location; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law requires certain signatures for the withdrawal of money from an account of a unit-owners' association of a common-interest community. (NRS 116.31153) Section 1 of this bill allows the withdrawal of money, without the required signatures, from the operating account of an association to make an electronic transfer of money to the [State Treasurer fees required to be deposited pursuant to the statutes governing common interest communities, if the amount of those fees is \$10,000 or more.] United States Government or a federal or state agency. Section 1 also [requires the executive board of] authorizes an association to [establish written procedures for internal controls to protect the money of the association if the association uses] use electronic signatures to withdraw money from [eertain accounts.], the operating account of the association under certain circumstances.

Existing law requires the executive board of a unit-owners' association to make certain financial records available for review at the business office of the association or some other location within the county in which the common-interest community is located. Existing law also requires the board to provide, upon request, a copy of those records to a unit's owner or the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels and authorizes the board to charge a certain fee to cover the actual costs of preparing the copy. (NRS 116.31177) **Section 3** of this bill repeals that provision and instead, **section 2** of this bill requires the

executive board of a unit-owners' association to make those records available 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. **Section 2** also retains the requirement that the board provide, upon request, a copy of such records to a unit's owner or the Ombudsman and the authority of the board to charge a fee to cover the actual costs of preparing the copy.

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

Section 1. NRS 116.31153 is hereby amended to read as follows:

- 116.31153 1. Money in the reserve account of an association required by paragraph (b) of subsection 2 of NRS 116.3115 may not be withdrawn without the signatures of at least two members of the executive board or the signatures of at least one member of the executive board and one officer of the association who is not a member of the executive board.
- 2. Except as otherwise provided in subsection 3, money in the operating account of an association may not be withdrawn without the signatures of at least one member of the executive board or one officer of the association and a member of the executive board, an officer of the association or the community manager.
- 3. Money in the operating account of an association may be withdrawn without the signatures required pursuant to subsection 2 to:
- (a) Transfer money to the reserve account of the association at regular intervals; {or}
 - (b) Make automatic payments for utilities [.]; for
- (c) Electronically transfer to the State Treasurer the fees required to be deposited pursuant to this chapter if the amount of those fees is not less than \$10,000.
- 4. If an association uses electronic signatures to withdraw money in the reserve account or operating account of the association, the executive board of the association must have written procedures for adequate internation to ensure security of the money and proper authorization to withdraw the money.
- (c) Make an electronic transfer of money to a state agency pursuant to NRS 353.1467; or
- (d) Make an electronic transfer of money to the United States Government, or any agency thereof, pursuant to any federal law requiring transfers of money to be made by an electronic means authorized by the United States Government or the agency thereof.
- 4. An association may use electronic signatures to withdraw money in the operating account of the association if:
- (a) The electronic transfer of money is made pursuant to a written agreement entered into between the association and the financial institution where the operating account of the association is maintained;

- (b) The executive board has expressly authorized the electronic transfer of money; and
- (c) The association has established internal accounting controls which comply with generally accepted accounting principles to safeguard the assets of the association.
- 5. As used in this section, "electronic transfer of money" has the meaning ascribed to it in NRS 353.1467.
 - **Sec. 2.** NRS 116.31175 is hereby amended to read as follows:
- 116.31175 1. Except as otherwise provided in [this] subsection [], 2, 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 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]:
 - (a) The financial statement of the association;
- (b) The budgets of the association required to be prepared pursuant to NRS 116.31151;
- (c) The study of the reserves of the association required to be conducted pursuant to NRS 116.31152; and
- (d) 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.
 - 2. The provisions of [this subsection] subsection 1 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; and
- (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:] 4; 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.
- 3. The executive board shall provide a copy of any of the records required to be made available pursuant to subsection 1 to a unit's owner or the Ombudsman within 14 days after receiving a written request therefor. The executive board may charge a fee to cover the actual costs of preparing a copy, but not to exceed 25 cents per page.
- [2.] 4. 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.] 5. 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.] 6. 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.] 7. 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.] 8. 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-] 9. 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.
- [8.] 10. 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] 8 or [7.

9.] **9.**

- 11. 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. 3. NRS 116.31177 is hereby repealed.
 - **Sec. 4.** This act becomes effective on July 1, 2011.

TEXT OF REPEALED SECTION

116.31177 Maintenance and availability of certain financial records of association; provision of copies to units' owners and Ombudsman.

- 1. The executive board of an association shall maintain and make 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:
 - (a) The financial statement of the association;
- (b) The budgets of the association required to be prepared pursuant to NRS 116.31151; and
- (c) The study of the reserves of the association required to be conducted pursuant to NRS 116.31152.
- 2. The executive board shall provide a copy of any of the records required to be maintained pursuant to subsection 1 to a unit's owner or the Ombudsman within 14 days after receiving a written request therefor. The executive board may charge a fee to cover the actual costs of preparing a copy, but not to exceed 25 cents per page.

Senator Wiener moved the adoption of the amendment.

Remarks by Senator Wiener.

Senator Wiener requested that her remarks be entered in the Journal.

The amendment revises Section 1 of the bill to provide that electronic transfers can be made without certain signatures from the association's Operating Account to any State or federal agency pursuant to the appropriate State or federal law.

The amendment also allows associations to use electronic signatures to withdraw money from its Operating Account if the following conditions are met. First, the withdrawal must be made pursuant to a written agreement with the financial institution where the account is held. Second, the transfer is authorized by the executive board. Third, the association has sufficient internal controls in place to safeguard the assets.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 44.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 86.

"SUMMARY—Requires the Division of Mental Health and Developmental Services of the Department of Health and Human Services to adopt certain regulations. (BDR 39-448)"

"AN ACT relating to mental health; requiring the Division of Mental Health and Developmental Services of the Department of Health and Human Services to adopt regulations defining eligibility for services; revising the term used to refer to persons who receive services from the Division; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the Division of Mental Health and Developmental Services of the Department of Health and Human Services provides mental health services to any person who seeks, on the person's own or another's initiative, and can benefit from, such services. (Title 39 of NRS) Section 1 of this bill requires the Division to adopt regulations: (1) that define when a consumer may receive services from the Division [+]; and (2) that establish policies and procedures for the referral of a consumer to another organization or resource when the Division cannot provide the services that the consumer needs.

Existing law uses "client" as a defined term to refer to a person who seeks, on the person's own or another's initiative, and can benefit from, services offered by the Division. **Sections 2-75** of this bill replace the term "client" in certain existing statutes with the term "consumer" to reflect currently acceptable nomenclature within the field of mental health. **Section 76** of this bill requires the Legislative Counsel to make corresponding changes to existing regulations.

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

Section 1. Chapter 433 of NRS is hereby amended by adding thereto a new section to read as follows:

The Division shall adopt regulations:

1. To define the term "consumer" for the purposes of this title. [; and]

- 2. To specify the circumstances under which a consumer is eligible to receive services from the Division pursuant to this title, including, but not limited to, care, treatment, treatment to competency and training. Regulations adopted pursuant to this subsection must specify that a consumer is eligible to receive services only if the consumer:
- (a) Has a documented diagnosis of a mental disorder based on the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association; and
- (b) Except as otherwise provided in the regulations adopted pursuant to subsection 3, is not eligible to receive services through another public or private entity.
- 3. To specify the circumstances under which the provisions of paragraph (b) of subsection 2 do not apply, including, without limitation, when the copay or other payment required to obtain services through another public or private entity is prohibitively high.
- 4. To establish policies and procedures for the referral of each consumer who needs services that the Division is unable to provide to the most appropriate organization or resource who is able to provide the needed services to that consumer.
 - Sec. 2. NRS 433.003 is hereby amended to read as follows:
 - 433.003 The Legislature hereby declares that it is the intent of this title:
- 1. To eliminate the forfeiture of any civil and legal rights of any person and the imposition of any legal disability on any person, based on an allegation of mental illness or mental retardation or a related condition, by any method other than a separate judicial proceeding resulting in a determination of incompetency, wherein the civil and legal rights forfeited and the legal disabilities imposed are specifically stated; and
- 2. To charge the Division of Mental and Developmental Services, and the Division of Child and Family Services, of the Department with recognizing their duty to act in the best interests of their respective [clients] *consumers* by placing them in the least restrictive environment.
 - **Sec. 3.** NRS 433.094 is hereby amended to read as follows:
- 433.094 "Division facility" means any unit or subunit operated by the Division for the care, treatment and training of felients. consumers.
 - **Sec. 4.** NRS 433.264 is hereby amended to read as follows:
- 433.264 1. Physicians shall be employed within the various division facilities as are necessary for the operation of the facilities. They shall hold degrees of doctor of medicine from accredited medical schools and they shall be licensed to practice medicine in Nevada as provided by law.
- 2. Except as otherwise provided by law, their only compensation shall be annual salaries, fixed in accordance with the pay plan adopted pursuant to the provisions of NRS 284.175.
- 3. The physicians shall perform such duties pertaining to the care and treatment of [clients] consumers as may be required.
 - **Sec. 5.** NRS 433.279 is hereby amended to read as follows:

- 433.279 1. The Division shall carry out a vocational and educational program for the certification of mental health-mental retardation technicians, including forensic technicians:
- (a) Employed by the Division, or other employees of the Division who perform similar duties, but are classified differently.
- (b) Employed by the Division of Child and Family Services of the Department.
- → The program must be carried out in cooperation with the Nevada System of Higher Education.
- 2. A mental health-mental retardation technician is responsible to the director of the service in which his or her duties are performed. The director of a service may be a licensed physician, dentist, podiatric physician, psychiatrist, psychologist, rehabilitation therapist, social worker, registered nurse or other professionally qualified person. This section does not authorize a mental health-mental retardation technician to perform duties which require the specialized knowledge and skill of a professionally qualified person.
- 3. The Division shall adopt regulations to carry out the provisions of this section.
- 4. As used in this section, "mental health-mental retardation technician" means an employee of the Division of Mental Health and Developmental Services or the Division of Child and Family Services who, for compensation or personal profit, carries out procedures and techniques which involve cause and effect and which are used in the care, treatment and rehabilitation of persons with mental illness or mental retardation, persons who are emotionally disturbed and persons with related conditions, and who has direct responsibility for:
- (a) Administering or carrying out specific therapeutic procedures, techniques or treatments, excluding medical interventions, to enable [clients] consumers to make optimal use of their therapeutic regime, their social and personal resources, and their residential care; or
- (b) The application of interpersonal and technical skills in the observation and recognition of symptoms and reactions of [elients,] consumers, for the accurate recording of such symptoms and reactions, and for carrying out treatments authorized by members of the interdisciplinary team that determines the treatment of the [elients.] consumers.
 - **Sec. 6.** NRS 433.331 is hereby amended to read as follows:
 - 433.331 The Division shall adopt regulations to:
- 1. Provide for a more detailed definition of abuse of a [client] consumer of the Division, consistent with the general definition given in NRS 433.554;
- 2. Provide for a more detailed definition of neglect of a **[client]** *consumer* of the Division, consistent with the general definition given in NRS 433.554; and
- 3. Establish policies and procedures for reporting the abuse or neglect of a **[elient]** *consumer* of the Division.

- **Sec. 7.** NRS 433.334 is hereby amended to read as follows:
- 433.334 The Division may, by contract with general hospitals or other institutions having adequate facilities in the State of Nevada, provide for inpatient care of **[clients]** *consumers* with mental illness or mental retardation and **[clients]** *consumers* with related conditions.
 - **Sec. 8.** NRS 433.404 is hereby amended to read as follows:
- 433.404 1. The Division shall establish a fee schedule for services rendered through any program supported by the State pursuant to the provisions of chapters 433 to 436, inclusive, of NRS. The schedule must be submitted to the Commission and the Director of the Department for joint approval before enforcement. The fees collected by facilities operated by the Division pursuant to this schedule must be deposited in the State Treasury to the credit of the State General Fund, except as otherwise provided in NRS 433.354 for fees collected pursuant to contract or agreement and in NRS 435.120 for fees collected for services to [elients] consumers with mental retardation and related conditions.
- 2. For a facility providing services for the treatment of persons with mental illness or mental retardation and persons with related conditions, the fee established must approximate the cost of providing the service, but if a **[client]** *consumer* is unable to pay in full the fee established pursuant to this section, the Division may collect any amount the **[client]** *consumer* is able to pay.
 - **Sec. 9.** NRS 433.431 is hereby amended to read as follows:
- 433.431 As used in NRS 433.431 to 433.454, inclusive, unless the context otherwise requires [:
- 1. "Client" means any person who seeks, on the person's own or another's initiative, and can benefit from, care, treatment, treatment to competency or training in a division facility.
 - 2. "Division], "division facility" means any unit or subunit operated by:
- [(a)] 1. The Division of Mental Health and Developmental Services of the Department for the care, treatment and training of [clients;] consumers; or
- [(b)] 2. The Division of Child and Family Services of the Department pursuant to chapter 433B of NRS.
 - **Sec. 10.** NRS 433.444 is hereby amended to read as follows:
- 433.444 1. For the purpose of facilitating the return of nonresident [clients] consumers to the state in which they have legal residence, the Administrator may enter into reciprocal agreements, consistent with the provisions of this title, with the proper boards, commissioners or officers of other states for the mutual exchange of [clients] consumers confined in, admitted or committed to a mental health or mental retardation facility in one state whose legal residence is in the other, and may give written permission for the return and admission to a division facility of any resident of this state when such permission is conformable to the provisions of this title governing admissions to a division facility.

- 2. The county clerk and board of county commissioners of each county, upon receiving notice from the Administrator that an application for the return of an alleged resident of this state has been received, shall promptly investigate and report to the Administrator their findings as to the legal residence of the [client.] consumer.
 - **Sec. 11.** NRS 433.454 is hereby amended to read as follows:
- 433.454 1. All expenses incurred for the purpose of returning a [client] consumer to the state in which the [client] consumer has legal residence shall be paid from the moneys of the [client] consumer or by the relatives or other persons responsible for the [client's] consumer's care and treatment under his or her commitment or admission.
- 2. In the case of indigent [clients] consumers whose relatives cannot pay the costs and expenses of returning such [clients] consumers to the state in which they have residence, the costs may be assumed by the State. These costs shall be advanced from moneys appropriated for the general support of the division facility wherein the [client] consumer was receiving care, treatment or training, if such [client] consumer was committed to a division facility at the time of the transfer, and shall be paid out on claims as other claims against the State are paid.
 - Sec. 12. NRS 433.456 is hereby amended to read as follows:
- 433.456 As used in NRS 433.456 to 433.536, inclusive, unless the context otherwise requires, the words and terms defined in NRS 433.458 [to] ,433.461 and 433.462 [, inclusive,] have the meanings ascribed to them in those sections.
 - **Sec. 13.** NRS 433.461 is hereby amended to read as follows:
 - 433.461 "Facility" means any:
- 1. Unit or subunit operated by the Division of Mental Health and Developmental Services of the Department for the care, treatment and training of [clients.] consumers.
- 2. Unit or subunit operated by the Division of Child and Family Services of the Department pursuant to chapter 433B of NRS.
- 3. Hospital, clinic or other institution operated by any public or private entity, for the care, treatment and training of Iclients. I consumers.
 - **Sec. 14.** NRS 433.462 is hereby amended to read as follows:
- 433.462 "Rights" includes, without limitation, all rights provided to a [client] *consumer* pursuant to NRS 433.456 to 433.536, inclusive, and any regulations adopted pursuant thereto.
 - **Sec. 15.** NRS 433.471 is hereby amended to read as follows:
- 433.471 1. Each client consumer admitted for evaluation, treatment or training to a facility has the following rights concerning admission to the facility, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the [elient] consumer by such additional means as prescribed by regulation:
- [1.] (a) The right not to be admitted to the facility under false pretenses or as a result of any improper, unethical or unlawful conduct by a staff member

of the facility to collect money from the insurance company of the [client] consumer or for any other financial purpose.

- [2.] (b) The right to receive a copy, on request, of the criteria upon which the facility makes its decision to admit or discharge a [client] consumer from the facility. Such criteria must not, for emergency admissions or involuntary court-ordered admissions, be based on the availability of insurance coverage or any other financial considerations.
- [3.] 2. As used in this section, "improper conduct" means a violation of the rules, policies or procedures of the facility.
 - **Sec. 16.** NRS 433.472 is hereby amended to read as follows:
- 433.472 1. Each [client] consumer admitted for evaluation, treatment or training to a facility has the following rights concerning involuntary commitment to the facility, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the [client] consumer by such additional means as prescribed by regulation:
- (a) To request and receive a second evaluation by a psychiatrist or psychologist who does not have a contractual relationship with or financial interest in the facility. The evaluation must:
- (1) Include, without limitation, a recommendation of whether the **[elient]** consumer should be involuntarily committed to the facility; and
- (2) Be paid for by the **[client]** consumer if the insurance carrier of the **[client]** consumer refuses to pay for the evaluation.
- (b) To receive a copy of the procedure of the facility regarding involuntary commitment and treatment.
- (c) To receive a list of the [client's] consumer's rights concerning involuntary commitment or treatment.
- 2. If the results of an evaluation conducted by a psychiatrist or psychologist pursuant to subsection 1 conflict in any manner with the results of an evaluation conducted by the facility, the facility may request and receive a third evaluation of the [client] consumer to resolve the conflicting portions of the previous evaluations.
 - **Sec. 17.** NRS 433.482 is hereby amended to read as follows:
- 433.482 Each [client] consumer admitted for evaluation, treatment or training to a facility has the following personal rights, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the [client] consumer by such additional means as prescribed by regulation:
- 1. To wear the [elient's] consumer's own clothing, to keep and use his or her own personal possessions, including toilet articles, unless those articles may be used to endanger the [elient's] consumer's life or others' lives, and to keep and be allowed to spend a reasonable sum of the [elient's] consumer's own money for expenses and small purchases.
- 2. To have access to individual space for storage for his or her private use.

- 3. To see visitors each day.
- 4. To have reasonable access to telephones, both to make and receive confidential calls.
- 5. To have ready access to materials for writing letters, including stamps, and to mail and receive unopened correspondence, but:
- (a) For the purposes of this subsection, packages are not considered as correspondence; and
- (b) Correspondence identified as containing a check payable to a [client] consumer may be subject to control and safekeeping by the administrative officer of that facility or the administrative officer's designee, so long as the [client's] consumer's record of treatment documents the action.
- 6. To have reasonable access to an interpreter if the **[elient]** consumer does not speak English or is hearing impaired.
- 7. To designate a person who must be kept informed by the facility of the **[elient's]** consumer's medical and mental condition, if the **[elient]** consumer signs a release allowing the facility to provide such information to the person.
- 8. Except as otherwise provided in NRS 439.538, to have access to the **[client's]** consumer's medical records denied to any person other than:
- (a) A member of the staff of the facility or related medical personnel, as appropriate;
- (b) A person who obtains a waiver by the [client] consumer of his or her right to keep the medical records confidential; or
 - (c) A person who obtains a court order authorizing the access.
 - 9. Other personal rights as specified by regulation of the Commission.
 - **Sec. 18.** NRS 433.484 is hereby amended to read as follows:
- 433.484 Each [elient] consumer admitted for evaluation, treatment or training to a facility has the following rights concerning care, treatment and training, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the [elient] consumer by such additional means as prescribed by regulation:
- 1. To medical, psychosocial and rehabilitative care, treatment and training including prompt and appropriate medical treatment and care for physical and mental ailments and for the prevention of any illness or disability. All of that care, treatment and training must be consistent with standards of practice of the respective professions in the community and is subject to the following conditions:
- (a) Before instituting a plan of care, treatment or training or carrying out any necessary surgical procedure, express and informed consent must be obtained in writing from:
- (1) The [client] consumer if he or she is 18 years of age or over or legally emancipated and competent to give that consent, and from the [client's] consumer's legal guardian, if any;
- (2) The parent or guardian of a [client] consumer under 18 years of age and not legally emancipated; or

- (3) The legal guardian of a **[client]** *consumer* of any age who has been adjudicated mentally incompetent;
- (b) An informed consent requires that the person whose consent is sought be adequately informed as to:
 - (1) The nature and consequences of the procedure;
 - (2) The reasonable risks, benefits and purposes of the procedure; and
 - (3) Alternative procedures available;
- (c) The consent of a **[client]** consumer as provided in paragraph (b) may be withdrawn by the **[client]** consumer in writing at any time with or without cause;
- (d) Even in the absence of express and informed consent, a licensed and qualified physician may render emergency medical care or treatment to any **[client]** consumer who has been injured in an accident or who is suffering from an acute illness, disease or condition, if within a reasonable degree of medical certainty, delay in the initiation of emergency medical care or treatment would endanger the health of the **[client]** consumer and if the treatment is immediately entered into the **[client's]** consumer's record of treatment, subject to the provisions of paragraph (e); and
- (e) If the proposed emergency medical care or treatment is deemed by the chief medical officer of the facility to be unusual, experimental or generally occurring infrequently in routine medical practice, the chief medical officer shall request consultation from other physicians or practitioners of healing arts who have knowledge of the proposed care or treatment.
 - 2. To be free from abuse, neglect and aversive intervention.
- 3. To consent to the [client's] consumer's transfer from one facility to another, except that the Administrator of the Division of Mental Health and Developmental Services of the Department or the Administrator's designee, or the Administrator of the Division of Child and Family Services of the Department or the Administrator's designee, may order a transfer to be made whenever conditions concerning care, treatment or training warrant it. If the [client] consumer in any manner objects to the transfer, the person ordering it must enter the objection and a written justification of the transfer in the [client's] consumer's record of treatment and immediately forward a notice of the objection to the Administrator who ordered the transfer, and the Commission shall review the transfer pursuant to subsection 3 of NRS 433.534.
- 4. Other rights concerning care, treatment and training as may be specified by regulation of the Commission.
 - **Sec. 19.** NRS 433.494 is hereby amended to read as follows:
- 433.494 1. An individualized written plan of mental health or mental retardation services or plan of services for a related condition must be developed for each felientl consumer of each facility. The plan must:
- (a) Provide for the least restrictive treatment procedure that may reasonably be expected to benefit the [client;] consumer; and
 - (b) Be developed with the input and participation of:

- (1) The [client,] consumer, to the extent that he or she is able to provide input and participate; and
- (2) To the extent that the [client] consumer is unable to provide input and participate, the parent or guardian of the [client] consumer if the [client] consumer is under 18 years of age and is not legally emancipated, or the legal guardian of a [client] consumer who has been adjudicated mentally incompetent.
- 2. The plan must be kept current and must be modified, with the input and participation of the [elient,] consumer, the parent or guardian of the [elient,] consumer, as appropriate, when indicated. The plan must be thoroughly reviewed at least once every 3 months.
- 3. The person in charge of implementing the plan of services must be designated in the plan.
 - **Sec. 20.** NRS 433.504 is hereby amended to read as follows:
- 433.504 1. A [client] consumer or the [client's] consumer's legal guardian must be:
 - (a) Permitted to inspect the **[elient's]** consumer's records; and
- (b) Informed of the [client's] consumer's clinical status and progress at reasonable intervals of no longer than 3 months in a manner appropriate to his or her clinical condition.
- 2. Unless a psychiatrist has made a specific entry to the contrary in a [client's] consumer's records, a [client] consumer or the [client's] consumer's legal guardian is entitled to obtain a copy of the [client's] consumer's records at any time upon notice to the administrative officer of the facility and payment of the cost of reproducing the records.
 - **Sec. 21.** NRS 433.514 is hereby amended to read as follows:
- 433.514 1. The attending psychiatrist or physician shall be responsible for all medication given or administered to a [client.] consumer.
- 2. Each administrative officer shall establish a policy for the review of the administration, storage and handling of medications by nurses and nonprofessional personnel.
 - **Sec. 22.** NRS 433.524 is hereby amended to read as follows:
- 433.524 1. A [client] consumer may perform labor which contributes to the operation and maintenance of the facility for which the facility would otherwise employ someone only if:
 - (a) The [client] consumer voluntarily agrees to perform the labor;
- (b) Engaging in the labor is not inconsistent with and does not interfere with the plan of services for the **[elient;]** consumer;
- (c) The person responsible for the [client's] consumer's treatment agrees to the plan of labor; and
- (d) The amount of time or effort necessary to perform the labor is not excessive.
- → In no event may discharge or privileges be conditioned upon the performance of such labor.

- 2. A [client] consumer who performs labor which contributes to the operation and maintenance of the facility for which the facility would otherwise employ someone must be adequately compensated and the compensation must be in accordance with applicable state and federal labor laws.
- 3. A [client] consumer who performs labor other than that described in subsection 2 must be compensated an adequate amount if an economic benefit to another person or agency results from the [client's] consumer's labor.
- 4. The administrative officer of the facility may provide for compensation of a resident when the resident performs labor not governed by subsection 2 or 3.
- 5. This section does not apply to labor of a personal housekeeping nature or to labor performed as a condition of residence in a small group living arrangement.
- 6. One-half of any compensation paid to a [client] consumer pursuant to this section is exempt from collection or retention as payment for services rendered by the Division of Mental Health and Developmental Services of the Department or its facilities, or by the Division of Child and Family Services of the Department or its facilities. Such an amount is also exempt from levy, execution, attachment, garnishment or any other remedies provided by law for the collection of debts.
 - **Sec. 23.** NRS 433.531 is hereby amended to read as follows:
- 433.531 Each [elient] consumer admitted for evaluation, treatment or training to a facility has the following rights concerning the suspension or violation of his or her rights, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the [client] consumer by such additional means as prescribed by regulation:
 - 1. To receive a list of the [client's] consumer's rights.
- 2. To receive a copy of the policy of the facility that sets forth the clinical or medical circumstances under which the [client's] consumer's rights may be suspended or violated.
- 3. To receive a list of the clinically appropriate options available to the **[client]** consumer or the **[client's]** consumer's family to remedy an actual or a suspected suspension or violation of his or her rights.
- 4. To have all policies of the facility regarding the rights of **[clients]** *consumers* prominently posted in the facility.
 - **Sec. 24.** NRS 433.533 is hereby amended to read as follows:
- 433.533 Each facility shall, within a reasonable time after a [client] consumer is admitted to the facility for evaluation, treatment or training, ask the [client] consumer to sign a document that reflects that the [client] consumer has received a list of the [client's] consumer's rights and has had those rights explained to him or her.
 - **Sec. 25.** NRS 433.534 is hereby amended to read as follows:

- 433.534 1. The rights of a [client] consumer enumerated in this chapter must not be denied except to protect the [client's] consumer's health and safety or to protect the health and safety of others, or both. Any denial of those rights in any facility must be entered in the [client's] consumer's record of treatment, and notice of the denial must be forwarded to the administrative officer of the facility. Failure to report denial of rights by an employee may be grounds for dismissal.
- 2. If the administrative officer of a facility receives notice of a denial of rights as provided in subsection 1, the officer shall cause a full report to be prepared which must set forth in detail the factual circumstances surrounding the denial. Except as otherwise provided in NRS 239.0115, such a report is confidential and must not be disclosed. A copy of the report must be sent to the Commission.
 - 3. The Commission:
- (a) Shall receive reports of and may investigate apparent violations of the rights guaranteed by this chapter;
 - (b) May act to resolve disputes relating to apparent violations;
- (c) May act on behalf of [clients] consumers to obtain remedies for any apparent violations; and
- (d) Shall otherwise endeavor to safeguard the rights guaranteed by this chapter.
- 4. Pursuant to NRS 241.030, the Commission may close any portion of a meeting in which it considers the character, alleged misconduct or professional competence of a person in relation to:
 - (a) The denial of the rights of a [client;] consumer; or
 - (b) The care and treatment of a **[client.]** consumer.
- The provisions of this subsection do not require a meeting of the Commission to be closed to the public.
 - **Sec. 26.** NRS 433.538 is hereby amended to read as follows:
- 433.538 As used in NRS 433.538 to 433.543, inclusive, unless the context otherwise requires:
- 1. "Administrative officer" means a person with overall executive and administrative responsibility for a division facility.
- 2. ["Client" means any person who seeks, on the person's own or another's initiative, and can benefit from, care, treatment, treatment to competency or training in a division facility.
 - 3.] "Division facility" means any unit or subunit operated by:
- (a) The Division of Mental Health and Developmental Services of the Department for the care, treatment and training of [clients;] consumers; or
- (b) The Division of Child and Family Services of the Department pursuant to chapter 433B of NRS.
 - Sec. 27. NRS 433.539 is hereby amended to read as follows:
- 433.539 1. There may be maintained as a trust fund at each division facility a **!clients'!** consumers' personal deposit fund.

- 2. Money coming into the possession of the administrative officer of a division facility which belongs to a [client] consumer must be credited in the fund in the name of that [client.] consumer.
- 3. When practicable, individual credits in the fund must not exceed the sum of \$300.
- 4. Any amounts to the credit of a [elient] consumer may be used for purchasing personal necessities, for expenses of burial or may be turned over to the [elient] consumer upon the [elient's] consumer's demand, except that when the [elient] consumer is adjudicated mentally incompetent the guardian of the [elient's] consumer's estate has the right to demand and receive the money.
- 5. An amount accepted for the benefit of a [client] consumer for a special purpose must be reserved for that purpose regardless of the total amount to the credit of the [client.] consumer.
- 6. Except as otherwise provided in subsection 7, the administrative officers shall deposit any money received for the funds of their respective facilities in commercial accounts with one or more banks or credit unions of reputable standing. When deposits in a commercial account exceed \$15,000, the administrative officer may deposit the excess in a savings account paying interest in any reputable commercial bank, or in any credit union or savings and loan association within this state that is federally insured or insured by a private insurer approved pursuant to NRS 678.755. The savings account must be in the name of the fund. Interest paid on deposits in the savings account may be used for recreational purposes at the division facility.
- 7. The administrative officers may maintain at their respective division facilities petty cash of not more than \$400 of the money in the [clients'] consumers' personal deposit fund to enable [clients] consumers to withdraw small sums from their accounts.
 - **Sec. 28.** NRS 433.541 is hereby amended to read as follows:
- 433.541 Whenever any person admitted to a division facility dies, the administrative officer shall send written notice to the decedent's legally appointed representative, listing the personal property remaining in the custody or possession of the facility. If there is no demand made upon the administrative officer of the facility by the decedent's legally appointed representative, all personal property of the decedent remaining in the custody or possession of the administrative officer must be held by the officer for a period of 1 year from the date of the decedent's death for the benefit of the heirs, legatees or successors of the decedent. At the end of this period, another notice must be sent to the decedent's representative, listing the property and specifying the manner in which the property will be disposed of if not claimed within 15 business days. After 15 business days, all personal property and documents of the decedent, other than cash, remaining unclaimed in the possession of the administrative officer must be disposed of as follows:

- 1. All documents must be filed by the administrative officer with the public administrator of the county from which the **[client]** consumer was admitted.
- 2. All other personal property must be sold at a public auction or by sealed bids. The proceeds of the sale must be applied to the decedent's unpaid balance for costs incurred at the division facility.
 - **Sec. 29.** NRS 433.542 is hereby amended to read as follows:
- 433.542 If a person admitted to a division facility is discharged or leaves and the person fails to recover personal property worth more than \$100 in the custody of the administrative officer of the facility, the administrative officer shall notify the former [client] consumer or the [client's] consumer's legal representative in writing that personal property remains in the custody of the facility. The property must be held in safekeeping for the [client] consumer for a period of 1 year from the date of discharge. If upon the expiration of the 1-year period no claim has been made upon the administrative officer by the person or the person's legal representative, another notice must be sent to the person or the person's legal representative, stating the fact that personal property remains in the custody of the facility, and specifying the manner in which the property will be disposed of if not claimed within 15 business days. After 15 business days, the property may be considered unclaimed property and be disposed of in the manner provided for unclaimed property of deceased persons under the provisions of NRS 433.541.
 - **Sec. 30.** NRS 433.544 is hereby amended to read as follows:
- 433.544 1. Upon the death of a [client,] consumer, any known relatives or friends of the [client] consumer shall be notified immediately of the fact of death.
- 2. The Administrator or the Administrator's designee shall cause a decent burial to be provided for the [client] consumer outside division facility grounds. The Administrator or the designee may enter into a contract with any person or persons, including governmental agencies or other instrumentalities, as the Administrator or the designee deems proper, for a decent burial. Where there are known relatives, and they are financially able, the cost of burial shall be borne by the relatives. Where there are no known relatives, the cost of burial shall be a charge against the State of Nevada, but the cost thereof shall not exceed the amount charged for the burial of indigents in the county in which the burial takes place.
- 3. When a **[client]** *consumer* has income from a pension payable through a division facility, and has no guardian, the Division may obligate operating funds for funeral expenses in the amount due under the pension benefits.
 - **Sec. 31.** NRS 433.5483 is hereby amended to read as follows:
- 433.5483 A person employed by a facility or any other person shall not use any aversive intervention on a person with a disability who is a **[client.] consumer.**
 - **Sec. 32.** NRS 433.5486 is hereby amended to read as follows:

- 433.5486 Notwithstanding the provisions of NRS 433.549 to 433.5503, inclusive, to the contrary, a facility may use or authorize the use of physical restraint, mechanical restraint or chemical restraint on a person with a disability who is a **[client]** *consumer* if the facility is:
- 1. Accredited by a nationally recognized accreditation association or agency; or
 - 2. Certified for participation in the Medicaid or Medicare Program,
- → only to the extent that the accreditation or certification allows the use of such restraint.
 - **Sec. 33.** NRS 433.549 is hereby amended to read as follows:
 - 433.549 A person employed by a facility or any other person shall not:
- 1. Except as otherwise provided in NRS 433.5493, use physical restraint on a person with a disability who is a **[client.]** consumer.
- 2. Except as otherwise provided in NRS 433.5496 and 433.5499, use mechanical restraint on a person with a disability who is a **[client.]** consumer.
- 3. Except as otherwise provided in NRS 433.5503, use chemical restraint on a person with a disability who is a **[client.]** *consumer*.
 - **Sec. 34.** NRS 433.5493 is hereby amended to read as follows:
- 433.5493 1. Except as otherwise provided in subsection 2, physical restraint may be used on a person with a disability who is a **[client]** *consumer* only if:
 - (a) An emergency exists that necessitates the use of physical restraint;
- (b) The physical restraint is used only for the period that is necessary to contain the behavior of the [client] consumer so that the [client] consumer is no longer an immediate threat of causing physical injury to himself or herself or others or causing severe property damage; and
- (c) The use of force in the application of physical restraint does not exceed the force that is reasonable and necessary under the circumstances precipitating the use of physical restraint.
- 2. Physical restraint may be used on a person with a disability who is a **[client]** consumer and the provisions of subsection 1 do not apply if the physical restraint is used to:
- (a) Assist the [client] consumer in completing a task or response if the [client] consumer does not resist the application of physical restraint or if the [client's] consumer's resistance is minimal in intensity and duration;
- (b) Escort or carry a [client] consumer to safety if the [client] consumer is in danger in his or her present location; or
- (c) Conduct medical examinations or treatments on the $\{elient\}$ consumer that are necessary.
- 3. If physical restraint is used on a person with a disability who is a **[elient]** *consumer* in an emergency, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534, regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

- **Sec. 35.** NRS 433.5496 is hereby amended to read as follows:
- 433.5496 1. Except as otherwise provided in subsections 2 and 4, mechanical restraint may be used on a person with a disability who is a **[client]** consumer only if:
 - (a) An emergency exists that necessitates the use of mechanical restraint;
- (b) A medical order authorizing the use of mechanical restraint is obtained from the [client's] consumer's treating physician before the application of the mechanical restraint or not later than 15 minutes after the application of the mechanical restraint;
- (c) The physician who signed the order required pursuant to paragraph (b) or the attending physician examines the [client] consumer not later than 1 working day immediately after the application of the mechanical restraint;
- (d) The mechanical restraint is applied by a member of the staff of the facility who is trained and qualified to apply mechanical restraint;
- (e) The [elient] consumer is given the opportunity to move and exercise the parts of his or her body that are restrained at least 10 minutes per every 60 minutes of restraint;
- (f) A member of the staff of the facility lessens or discontinues the restraint every 15 minutes to determine whether the [client] consumer will stop or control his or her inappropriate behavior without the use of the restraint;
- (g) The record of the [client] consumer contains a notation that includes the time of day that the restraint was lessened or discontinued pursuant to paragraph (f), the response of the [client] consumer and the response of the member of the staff of the facility who applied the mechanical restraint;
- (h) A member of the staff of the facility continuously monitors the [client] consumer during the time that mechanical restraint is used on the [client;] consumer; and
- (i) The mechanical restraint is used only for the period that is necessary to contain the behavior of the [elient] consumer so that the [elient] consumer is no longer an immediate threat of causing physical injury to himself or herself or others or causing severe property damage.
- 2. Mechanical restraint may be used on a person with a disability who is a **[client]** *consumer* and the provisions of subsection 1 do not apply if the mechanical restraint is used to:
 - (a) Treat the medical needs of a [client;] consumer;
- (b) Protect a [client] consumer who is known to be at risk of injury to himself or herself because the [client] consumer lacks coordination or suffers from frequent loss of consciousness;
 - (c) Provide proper body alignment to a [client;] consumer; or
- (d) Position a [client] consumer who has physical disabilities in a manner prescribed in the [client's] consumer's plan of services.
- 3. If mechanical restraint is used on a person with a disability who is a **[client]** *consumer* in an emergency, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534, regardless of whether

the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

- 4. The provisions of this section do not apply to a forensic facility, as that term is defined in subsection 5 of NRS 433,5499.
 - **Sec. 36.** NRS 433.5499 is hereby amended to read as follows:
- 433.5499 1. Except as otherwise provided in subsection 3, mechanical restraint may be used on a person with a disability who is a **[client]** *consumer* of a forensic facility only if:
- (a) An emergency exists that necessitates the use of the mechanical restraint;
- (b) The [client's] consumer's behavior presents an imminent threat of causing physical injury to himself or herself or to others or causing severe property damage and less restrictive measures have failed to modify the [client's] consumer's behavior;
- (c) The [client] consumer is in the care of the facility but not on the premises of the facility and mechanical restraint is necessary to ensure security; or
- (d) The [elient] consumer is in the process of being transported to another location and mechanical restraint is necessary to ensure security.
- 2. If mechanical restraint is used pursuant to subsection 1, the forensic facility shall ensure that:
- (a) The mechanical restraint is applied by a member of the staff of the facility who is trained and qualified to apply mechanical restraint;
- (b) A member of the staff of the facility continuously monitors the [client] consumer during the time that mechanical restraint is used on the [client;] consumer;
- (c) The record of the **[elient]** consumer contains a notation that indicates the time period during which the restraint was used and the circumstances warranting the restraint; and
 - (d) The mechanical restraint is used only for the period that is necessary.
- 3. Mechanical restraint may be used on a person with a disability who is a **[client]** *consumer* of a forensic facility, and the provisions of subsections 1 and 2 do not apply if the mechanical restraint is used to:
 - (a) Treat the medical needs of a [client;] consumer;
- (b) Protect a [client] consumer who is known to be at risk of injury to himself or herself because the [client] consumer lacks coordination or suffers from frequent loss of consciousness;
 - (c) Provide proper body alignment to a [client;] consumer; or
- (d) Position a **[client]** consumer who has physical disabilities in a manner prescribed in the **[client's]** consumer's plan of services.
- 4. If mechanical restraint is used in an emergency on a person with a disability who is a **[elient]** *consumer* of a forensic facility, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534, regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

- 5. As used in this section, "forensic facility" means a secure facility of the Division for offenders and defendants with a mental disorder who are ordered to the facility pursuant to chapter 178 of NRS.
 - **Sec. 37.** NRS 433.5503 is hereby amended to read as follows:
- 433.5503 1. Chemical restraint may only be used on a person with a disability who is a **[client]** *consumer* if:
- (a) The [client] consumer has been diagnosed as mentally ill, as defined in NRS 433A.115, and is receiving mental health services from a facility;
- (b) The chemical restraint is administered to the {client} consumer while he or she is under the care of the facility;
 - (c) An emergency exists that necessitates the use of chemical restraint;
- (d) A medical order authorizing the use of chemical restraint is obtained from the **[client's]** consumer's attending physician or psychiatrist;
- (e) The physician or psychiatrist who signed the order required pursuant to paragraph (d) examines the [client] consumer not later than 1 working day immediately after the administration of the chemical restraint; and
- (f) The chemical restraint is administered by a person licensed to administer medication.
- 2. If chemical restraint is used on a person with a disability who is a **[client,]** consumer, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534, regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.
 - **Sec. 38.** NRS 433.5506 is hereby amended to read as follows:
- 433.5506 1. Each facility shall develop a program of education for the members of the staff of the facility to provide instruction in positive behavioral interventions and positive behavioral supports that:
- (a) Includes positive methods to modify the environment of [clients] consumers to promote adaptive behavior and reduce the occurrence of inappropriate behavior;
- (b) Includes methods to teach skills to [clients] consumers so that [clients] consumers can replace inappropriate behavior with adaptive behavior;
- (c) Includes methods to enhance a {elient's} consumer's independence and quality of life;
- (d) Includes the use of the least intrusive methods to respond to and reinforce the behavior of [elients;] consumers; and
- (e) Offers a process for designing interventions based upon the [client] consumer that are focused on promoting appropriate changes in behavior as well as enhancing the overall quality of life for the [client.] consumer.
- 2. Each facility shall provide appropriate training for the members of the staff of the facility who are authorized to carry out and monitor physical restraint, mechanical restraint and chemical restraint to ensure that those members of the staff are competent and qualified to carry out the procedures in accordance with NRS 433.545 to 433.551, inclusive.
 - **Sec. 39.** NRS 433.554 is hereby amended to read as follows:

- 433.554 1. An employee of a public or private mental health facility or any other person, except a [client,] consumer, who:
- (a) Has reason to believe that a **[elient]** consumer of the Division or of a private facility offering mental health services has been or is being abused or neglected and fails to report it;
- (b) Brings intoxicating beverages or a controlled substance into any division facility occupied by [clients] consumers unless specifically authorized to do so by the administrative officer or a staff physician of the facility;
- (c) Is under the influence of liquor or a controlled substance while employed in contact with [clients,] consumers, unless in accordance with a lawfully issued prescription;
- (d) Enters into any transaction with a [client] consumer involving the transfer of money or property for personal use or gain at the expense of the [client;] consumer; or
- (e) Contrives the escape, elopement or absence of a [client,] consumer,
- → is guilty of a misdemeanor, in addition to any other penalties provided by law.
- 2. In addition to any other penalties provided by law, an employee of a public or private mental health facility or any other person, except a [client,] consumer, who willfully abuses or neglects a [client:] consumer:
- (a) For a first violation that does not result in substantial bodily harm to the [client,] consumer, is guilty of a gross misdemeanor.
- (b) For a first violation that results in substantial bodily harm to the **[client,]** consumer, is guilty of a category B felony.
 - (c) For a second or subsequent violation, is guilty of a category B felony.
- → A person convicted of a category B felony pursuant to this section shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$5,000, or by both fine and imprisonment.
- 3. A person who is convicted pursuant to this section is ineligible for 5 years for appointment to or employment in a position in the state service and, if the person is an officer or employee of the State, the person forfeits his or her office or position.
- 4. A conviction pursuant to this section is, when applicable, grounds for disciplinary action against the person so convicted and the facility where the violation occurred. The Division may recommend to the appropriate agency or board the suspension or revocation of the professional license, registration, certificate or permit of a person convicted pursuant to this section.
 - 5. For the purposes of this section:
- (a) "Abuse" means any willful and unjustified infliction of pain, injury or mental anguish upon a *[elient,] consumer,* including, but not limited to:
- (1) The rape, sexual assault or sexual exploitation of the [client;] consumer;
 - (2) The use of any type of aversive intervention;

- (3) Except as otherwise provided in NRS 433.5486, a violation of NRS 433.549; and
- (4) The use of physical, chemical or mechanical restraints or the use of seclusion in violation of federal law.
- → Any act which meets the standard of practice for care and treatment does not constitute abuse.
- (b) ["Client"] "Consumer" includes any person who seeks, on the person's own or others' initiative, and can benefit from, care, treatment and training in a public or private institution or facility offering mental health services, or from treatment to competency in a public or private institution or facility offering mental health services. The term includes a [client] consumer of the Division of Child and Family Services of the Department.
- (c) "Neglect" means any omission to act which causes injury to a [client] consumer or which places the [client] consumer at risk of injury, including, but not limited to, the failure to follow:
- (1) An appropriate plan of treatment to which the [client] consumer has consented; and
- (2) The policies of the facility for the care and treatment of [elients.] consumers.
- Any omission to act which meets the standard of practice for care and treatment does not constitute neglect.
- (d) "Standard of practice" means the skill and care ordinarily exercised by prudent professional personnel engaged in health care.
 - **Sec. 40.** NRS 433A.016 is hereby amended to read as follows:
 - 433A.016 "Division facility" means:
- 1. Except as otherwise provided in subsection 2, any unit or subunit operated by the Division of Mental Health and Developmental Services of the Department for the care, treatment and training of **[clients.]** consumers.
- 2. Any unit or subunit operated by the Division of Child and Family Services of the Department pursuant to chapter 433B of NRS.
 - **Sec. 41.** NRS 433A.030 is hereby amended to read as follows:
- 433A.030 The administrative officers have the following powers and duties, subject to the administrative supervision of the Administrator:
- 1. To exercise general supervision of and establish regulations for the government of the facilities designated by the Administrator;
- 2. To be responsible for and supervise the fiscal affairs and responsibilities of the facilities designated by the Administrator;
- 3. To appoint such medical, technical, clerical and operational staff as the execution of his or her duties, the care and treatment of [elients] consumers and the maintenance and operation of the facilities designated by the Administrator may require;
- 4. To make reports to the Administrator, and to supply the Administrator with material on which to base proposed legislation;

- 5. To keep complete and accurate records of all proceedings, record and file all bonds and contracts, and assume responsibility for the custody and preservation of all papers and documents pertaining to his or her office;
- 6. To inform the public in regard to the activities and operation of the facilities;
- 7. To invoke any legal, equitable or special procedures for the enforcement of his or her orders or the enforcement of the provisions of this title and other statutes governing the facilities;
- 8. To submit an annual report to the Administrator on the condition, operation, functioning and anticipated needs of the facilities; and
- 9. To assume responsibility for the nonmedical care and treatment of **[clients]** consumers if that responsibility has not been delegated.
 - Sec. 42. NRS 433A.080 is hereby amended to read as follows:
- 433A.080 1. A coordinator of medical programs is the medical head of any division facility designated by the Administrator. The coordinator of medical programs:
- (a) Must be a psychiatrist licensed to practice medicine or, in the case of a treatment facility authorized by paragraph (b) of subsection 1 of NRS 433B.290, a psychiatrist or a pediatrician licensed to practice medicine.
- (b) May be a psychiatrist or pediatrician in private practice under contract to the Division.
- (c) Must have such additional qualifications as are in accordance with criteria prescribed by the Department of Personnel and must be in the unclassified service of the State.
 - 2. A coordinator of medical programs shall:
 - (a) Cause to be kept a fair and full account of all medical affairs;
- (b) Have standard medical histories currently maintained on all [elients,] consumers, and administer or have administered the accepted and appropriate medical treatments to all [elients] consumers under his or her care, and may, by delegation of the administrative officer, be responsible for the nonmedical care and treatment of [elients;] consumers; and
- (c) Undertake any diagnostic, medical or surgical procedure in the interest of the [client,] consumer, but only in accordance with the provisions of subsection 1 of NRS 433.484.
 - **Sec. 43.** NRS 433A.110 is hereby amended to read as follows:
- 433A.110 1. The administrative officer of a division mental health facility which provides treatment for inpatients may cause to be established a canteen operated for the benefit of *[clients] consumers* and employees of the facility. So far as practical within good business practices, the prices of commodities sold must approximate costs. The administrative officer shall cause to be kept a record of transactions in the operation of the canteen.
- 2. The Administrator may designate money from budgeted resources in appropriate amounts to each such facility for the establishment and operation of canteens. The money must be used to supplement the financial operation of the canteens, if required, to provide money for needy [clients'] consumers'

canteen privileges, and to provide for such other expenditures benefiting the [clients] consumers of such division facilities as the respective administrative officers may deem necessary. All proceeds of sale collected must be deposited with the State Treasurer for credit to the appropriate operating account of the mental health facility. The operating account must separately identify in the record of transactions the proceeds of sale collected, the amount of budgeted resources used, and the total amount expended for the operations of the canteen. All proceeds of sale collected must be used for the operation of the canteen. Proceeds of sale collected which exceed the amount necessary to maintain the operation of the canteens must be used to benefit the [clients.] consumers.

- 3. An appropriate sum may be maintained as petty cash at each canteen.
- 4. The respective administrative officers may cause to be appointed such staff as are necessary for the proper operation of the canteens.
 - **Sec. 44.** NRS 433A.140 is hereby amended to read as follows:
 - 433A.140 1. Any person may apply to:
- (a) A public or private mental health facility in the State of Nevada for admission to the facility; or
- (b) A division facility to receive care, treatment or training provided by the Division.
- ⇒ as a voluntary [client] consumer for the purposes of observation, diagnosis, care and treatment. In the case of a person who has not attained the age of majority, application for voluntary admission or care, treatment or training may be made on his or her behalf by the person's spouse, parent or legal guardian.
- 2. If the application is for admission to a division facility, or for care, treatment or training provided by the Division, the applicant must be admitted or provided such services as a voluntary [client] consumer if an examination by personnel of the facility qualified to make such a determination reveals that the person needs and may benefit from services offered by the mental health facility.
- 3. Any person admitted to a public or private mental health facility as a voluntary [elient] consumer must be released immediately after the filing of a written request for release with the responsible physician or that physician's designee within the normal working day, unless, within 24 hours after the request, the facility changes the status of the person to an emergency admission pursuant to NRS 433A.145. When a person is released pursuant to this subsection, the facility and its agents and employees are not liable for any debts or contractual obligations, medical or otherwise, incurred or damages caused by the actions of the person.
- 4. Any person admitted to a public or private mental health facility as a voluntary [elient] consumer who has not requested release may nonetheless be released by the medical director of the facility when examining personnel at the facility determine that the [elient] consumer has recovered or has improved to such an extent that the [elient] consumer is not considered a

danger to himself or herself or others and that the services of that facility are no longer beneficial to the **[client]** consumer or advisable.

- 5. A person who requests care, treatment or training from the Division pursuant to this section must be evaluated by the personnel of the Division to determine whether the person is eligible for the services offered by the Division. The evaluation must be conducted:
 - (a) Within 72 hours if the person has requested inpatient services; or
- (b) Within 72 regular operating hours, excluding weekends and holidays, if the person has requested community-based or outpatient services.
- 6. This section does not preclude a public facility from making decisions, policies, procedures and practices within the limits of the money made available to the facility.
 - **Sec. 45.** NRS 433A.145 is hereby amended to read as follows:
- 433A.145 1. If a person with mental illness is admitted to a public or private mental health facility or hospital as a voluntary [client,] consumer, the facility or hospital shall not change the status of the person to an emergency admission unless the hospital or facility receives, before the change in status is made, an application for an emergency admission pursuant to NRS 433A.160 and the certificate of a psychiatrist, psychologist or physician pursuant to NRS 433A.170.
- 2. A person whose status is changed pursuant to subsection 1 must not be detained in excess of 48 hours after the change in status is made unless, before the close of the business day on which the 48 hours expires, a written petition is filed with the clerk of the district court pursuant to NRS 433A.200.
- 3. If the period specified in subsection 2 expires on a day on which the office of the clerk of the district court is not open, the written petition must be filed on or before the close of the business day next following the expiration of that period.
 - Sec. 46. NRS 433A.350 is hereby amended to read as follows:
- 433A.350 1. Upon admission to any public or private mental health facility, each [client] consumer of the facility and the [client's] consumer's spouse and legal guardian, if any, must receive a written statement outlining in simple, nontechnical language all procedures for release provided by this chapter, setting out all rights accorded to such a [client] consumer by this chapter and chapters 433 and 433B of NRS and, if the [client] consumer has no legal guardian, describing procedures provided by law for adjudication of incompetency and appointment of a guardian for the [client.] consumer.
- 2. Written information regarding the services provided by and means of contacting the local office of an agency or organization that receives money from the Federal Government pursuant to 42 U.S.C. §§ 10801 et seq., to protect and advocate the rights of persons with mental illnesses must be posted in each public and private mental health facility and provided to each [client] consumer of such a facility upon admission.
 - Sec. 47. NRS 433A.360 is hereby amended to read as follows:

- 433A.360 1. A clinical record for each [client] consumer must be diligently maintained by any division facility or private institution or facility offering mental health services. The record must include information pertaining to the [client's] consumer's admission, legal status, treatment and individualized plan for habilitation. The clinical record is not a public record and no part of it may be released, except:
 - (a) If the release is authorized or required pursuant to NRS 439.538.
- (b) The record must be released to physicians, attorneys and social agencies as specifically authorized in writing by the [client,] consumer, the [client's] consumer's parent, guardian or attorney.
- (c) The record must be released to persons authorized by the order of a court of competent jurisdiction.
- (d) The record or any part thereof may be disclosed to a qualified member of the staff of a division facility, an employee of the Division or a member of the staff of an agency in Nevada which has been established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq., or the Protection and Advocacy for Mentally Ill Individuals Act of 1986, 42 U.S.C. §§ 10801 et seq., when the Administrator deems it necessary for the proper care of the Jelient.] consumer.
- (e) Information from the clinical records may be used for statistical and evaluative purposes if the information is abstracted in such a way as to protect the identity of individual [clients.] consumers.
- (f) To the extent necessary for a [client] consumer to make a claim, or for a claim to be made on behalf of a [client] consumer for aid, insurance or medical assistance to which the [client] consumer may be entitled, information from the records may be released with the written authorization of the [client] consumer or the [client's] consumer's guardian.
- (g) The record must be released without charge to any member of the staff of an agency in Nevada which has been established pursuant to 42 U.S.C. §§ 15001 et seq. or 42 U.S.C. §§ 10801 et seq. if:
- (1) The [client] consumer is a [client] consumer of that office and the [client] consumer or the [client's] consumer's legal representative or guardian authorizes the release of the record; or
- (2) A complaint regarding a [client] consumer was received by the office or there is probable cause to believe that the [client] consumer has been abused or neglected and the [client:] consumer:
- (I) Is unable to authorize the release of the record because of the [client's] consumer's mental or physical condition; and
- (II) Does not have a guardian or other legal representative or is a ward of the State.
- (h) The record must be released as provided in NRS 433.332 or 433B.200 and in chapter 629 of NRS.
- 2. As used in this section, ["client"] "consumer" includes any person who seeks, on the person's own or others' initiative, and can benefit from, care, treatment and training in a private institution or facility offering mental

health services, or from treatment to competency in a private institution or facility offering mental health services.

Sec. 48. NRS 433A.370 is hereby amended to read as follows:

- 433A.370 1. When a [client] consumer committed by a court to a division facility on or before June 30, 1975, or a [client] consumer who is judicially admitted on or after July 1, 1975, or a person who is involuntarily detained pursuant to NRS 433A.145 to 433A.300, inclusive, escapes from any division facility, or when a judicially admitted [client] consumer has not returned to a division facility from conditional release after the administrative officer of the facility has ordered the [client] consumer to do so, any peace officer shall, upon written request of the administrative officer or the administrative officer's designee and without the necessity of a warrant or court order, apprehend, take into custody and deliver the person to such division facility or another state facility.
- 2. Any person appointed or designated by the Director of the Department to take into custody and transport to a division facility persons who have escaped or failed to return as described in subsection 1 may participate in the apprehension and delivery of any such person, but may not take the person into custody without a warrant.
 - **Sec. 49.** NRS 433A.390 is hereby amended to read as follows:
- 433A.390 1. When a [elient,] consumer, involuntarily admitted to a mental health facility by court order, is released at the end of the time specified pursuant to NRS 433A.310, written notice must be given to the admitting court and to the [elient's] consumer's legal guardian at least 10 days before the release of the [elient.] consumer. The [elient] consumer may then be released without requiring further orders of the court. If the [elient] consumer has a legal guardian, the facility shall notify the guardian before discharging the [elient] consumer from the facility. The legal guardian has discretion to determine where the [elient] consumer will be released, taking into consideration any discharge plan proposed by the facility assessment team. If the legal guardian does not inform the facility as to where the [elient] consumer will be released within 3 days after the date of notification, the facility shall discharge the [elient] consumer according to its proposed discharge plan.
- 2. An involuntarily court-admitted [client] consumer may be unconditionally released before the period specified in NRS 433A.310 when:
- (a) An evaluation team established under NRS 433A.250 or two persons professionally qualified in the field of psychiatric mental health, at least one of them being a physician, determines that the [elient] consumer has recovered from his or her mental illness or has improved to such an extent that the [elient] consumer is no longer considered to present a clear and present danger of harm to himself or herself or others; and
- (b) Under advisement from the evaluation team or two persons professionally qualified in the field of psychiatric mental health, at least one of them being a physician, the medical director of the mental health facility

authorizes the release and gives written notice to the admitting court and to the <code>[elient's]</code> consumer's legal guardian at least 10 days before the release of the <code>[elient]</code> consumer. If the <code>[elient]</code> consumer has a legal guardian, the facility shall notify the guardian before discharging the <code>[elient]</code> consumer from the facility. The legal guardian has discretion to determine where the <code>[elient]</code> consumer will be released, taking into consideration any discharge plan proposed by the facility assessment team. If the legal guardian does not inform the facility as to where the <code>[elient]</code> consumer will be released within 3 days after the date of notification, the facility shall discharge the <code>[elient]</code> consumer according to its proposed discharge plan.

Sec. 50. NRS 433A.420 is hereby amended to read as follows:

433A.420 The medical director of a division facility may order the transfer to a hospital of the Department of Veterans Affairs or other facility of the United States Government any admitted [client] consumer eligible for treatment therein. If the [client] consumer in any manner objects to the transfer, the medical director of the facility shall enter the objection and a written justification of the transfer in the [client's] consumer's record and forward a notice of the objection to the Administrator, and the Commission shall review the transfer pursuant to subsections 2 and 3 of NRS 433.534.

Sec. 51. NRS 433A.480 is hereby amended to read as follows:

- 433A.480 1. The medical director of a division mental health facility shall have all persons adjudicated as persons with mental incompetence of that facility automatically evaluated no less than once every 6 months to determine whether or not there is sufficient cause to believe that the [elient] consumer remains unable to exercise rights to dispose of property, marry, execute instruments, make purchases, enter into contractual relationships, vote or hold a driver's license.
- 2. If the medical director has sufficient reason to believe that the [client] consumer remains unable to exercise these rights, such information shall be documented in the [client's] consumer's treatment record.
- 3. If there is no such reason to believe the **[client]** consumer is unable to exercise these rights, the medical director shall immediately initiate proper action to cause to have the **[client]** consumer restored to legal capacity.
 - Sec. 52. NRS 433A.580 is hereby amended to read as follows:
- 433A.580 No person may be admitted to a private hospital or division mental health facility pursuant to the provisions of this chapter unless mutually agreeable financial arrangements relating to the costs of treatment are made between the private hospital or division facility and the [client] consumer or person requesting his or her admission.
 - **Sec. 53.** NRS 433A.590 is hereby amended to read as follows:
- 433A.590 1. Fees for the cost of treatment and services rendered through any division facility must be established pursuant to the fee schedule established under NRS 433.404 or 433B.250, as appropriate.

- 2. The maximum fee established by the schedule must approximate the actual cost per [client] consumer for the class of [client] consumer care provided.
- 3. The fee schedule must allow for a [client] consumer to pay a portion of the actual cost if it is determined that the [client] consumer and his or her responsible relatives pursuant to NRS 433A.610 are unable to pay the full amount. That determination must be made pursuant to NRS 433A.640 and 433A.650.
- 4. Any reduction pursuant to subsection 3 of the amount owed must not be calculated until all of the benefits available to the [client] consumer from third-party sources, other than Medicaid, have been applied to pay the actual cost for the care provided.
 - **Sec. 54.** NRS 433A.630 is hereby amended to read as follows:
- 433A.630 1. The administrative officers of the respective division facilities may enter into special agreements secured by properly executed bonds with the relatives, guardians or friends of [clients] consumers who are adjudicated to be [clients] consumers with mental incompetence for subsistence, care or other expenses of such [clients.] consumers. Each agreement and bond must be to the State of Nevada and any action to enforce the agreement or bond may be brought by the administrative officer.
- 2. Financially responsible relatives pursuant to NRS 433A.610 and the guardian of the estate of a [client] consumer may, from time to time, pay money to the division facility for the future personal needs of the [client] consumer with mental incompetence and for the [client's] consumer's burial expenses. Money paid pursuant to this subsection must be credited to the [client] consumer in the [clients'] consumers' personal deposit fund established pursuant to NRS 433.539.
 - **Sec. 55.** NRS 433A.650 is hereby amended to read as follows:
- 433A.650 Determination of ability to pay pursuant to NRS 433A.640 shall include investigation of whether the [elient] consumer has benefits due and owing to the [elient] consumer for the cost of his or her treatment from third-party sources, such as Medicare, Medicaid, social security, medical insurance benefits, retirement programs, annuity plans, government benefits or any other financially responsible third parties. The administrative officer of a division mental health facility may accept payment for the cost of a [elient's] consumer's treatment from the [elient's] consumer's insurance company, Medicare or Medicaid and other similar third parties.
 - Sec. 56. NRS 433A.660 is hereby amended to read as follows:
- 433A.660 1. If the [elient,] consumer, his or her responsible relative pursuant to NRS 433A.610, guardian or the estate neglects or refuses to pay the cost of treatment to the division facility rendering service pursuant to the fee schedule established under NRS 433.404 or 433B.250, as appropriate, the State is entitled to recover by appropriate legal action all sums due, plus interest.

- 2. Before initiating such legal action, the division facility shall demonstrate efforts at collection, which may include contractual arrangements for collection through a private collection agency.
 - Sec. 57. NRS 433A.680 is hereby amended to read as follows:
- 433A.680 The expense of diagnostic, medical and surgical services furnished to a **lelientl** consumer admitted to a division facility by a person not on the staff of the facility, whether rendered while the lelientl consumer is in a general hospital, an outpatient of a general hospital or treated outside any hospital, must be paid by the **[client.]** consumer, the guardian or relatives responsible pursuant to NRS 433A.610 for the [client's] consumer's care. In the case of an indigent [client] consumer or a [client] consumer whose estate is inadequate to pay the expenses, the expenses must be charged to the county from which the admission to the division facility was made, if the **felientl** consumer had, before admission, been a resident of that county. The expense of such diagnostic, medical and surgical services must not in any case be a charge against or paid by the State of Nevada, except when in the opinion of the administrative officer of the division mental health facility to which the **[elient]** consumer is admitted payment should be made for nonresident indigent [clients] consumers and money is authorized pursuant to NRS 433.374 or 433B.230 and the money is authorized in approved budgets.
 - **Sec. 58.** NRS 433A.690 is hereby amended to read as follows:
- 433A.690 Claims by a division mental health facility against the estates of deceased [elients] consumers may be presented to the executor or Administrator in the manner required by law, and shall be paid as preferred claims equal to claims for expenses of last illness. When a deceased person has been maintained at a division mental health facility at a rate less than the maximum usually charged, or the facility has incurred other expenses for the benefit of the person for which full payment has not been made, the estate of the person shall be liable if the estate is discovered within 5 years after the person's death.
 - **Sec. 59.** NRS 433B.070 is hereby amended to read as follows:
- 433B.070 "Division facility" means any unit or subunit operated by the Division for the care and treatment of **[clients.]** consumers.
 - **Sec. 60.** NRS 433B.130 is hereby amended to read as follows:
 - 433B.130 1. The Administrator shall:
- (a) Administer, in accordance with the policies established by the Commission, the programs of the Division for the mental health of children.
- (b) Establish appropriate policies to ensure that children in division facilities have timely access to clinically appropriate psychotropic medication that are consistent with the policies established pursuant to NRS 432B.197.
 - 2. The Administrator may:
- (a) Appoint the administrative personnel necessary to operate the programs of the Division for the mental health of children.

- (b) Delegate to the administrative officers the power to appoint medical, technical, clerical and operational staff necessary for the operation of any division facilities.
- 3. If the Administrator finds that it is necessary or desirable that any employee reside at a facility operated by the Division or receive meals at such a facility, perquisites granted or charges for services rendered to that person are at the discretion of the Director of the Department.
- 4. The Administrator may accept children referred to the Division for treatment pursuant to the provisions of NRS 458.290 to 458.350, inclusive.
- 5. The Administrator may enter into agreements with the Administrator of the Division of Mental Health and Developmental Services of the Department for the care and treatment of **[elients]** consumers of the Division of Child and Family Services at any facility operated by the Division of Mental Health and Developmental Services.
 - **Sec. 61.** NRS 433B.150 is hereby amended to read as follows:
- 433B.150 1. The Division shall employ such physicians within the various division facilities as are necessary for the operation of the facilities. The physicians must hold degrees of doctor of medicine from accredited medical schools and be licensed to practice medicine in Nevada.
- 2. Except as otherwise provided by law, the only compensation allowed such a physician is an annual salary, fixed in accordance with the pay plan adopted pursuant to the provisions of NRS 284.175.
- 3. The physicians shall perform such duties pertaining to the care and treatment of **[elients]** *consumers* as may be required.
 - **Sec. 62.** NRS 433B.190 is hereby amended to read as follows:
 - 433B.190 1. The Division shall adopt regulations to:
- (a) Provide for a more detailed definition of abuse of a [client,] consumer, consistent with the general definition given in NRS 433B.340;
- (b) Provide for a more detailed definition of neglect of a [client,] consumer, consistent with the general definition given in NRS 433B.340; and
- (c) Establish policies and procedures for reporting the abuse or neglect of a **lelient.** *consumer*.
- 2. The regulations adopted pursuant to this section must, to the extent possible and appropriate, be consistent with the regulations adopted by the Division of Mental Health and Developmental Services of the Department pursuant to NRS 433.331.
 - **Sec. 63.** NRS 433B.200 is hereby amended to read as follows:
- 433B.200 1. If a [client] consumer in a division facility is transferred to another division facility or to a medical facility, a facility for the dependent or a physician licensed to practice medicine, the division facility shall forward a copy of the medical records of the [client,] consumer, on or before the date the [client] consumer is transferred, to the facility or physician. Except as otherwise required by 42 U.S.C. [§§ 290dd-3 and 290ee-3,] § 290dd-2, the division facility is not required to obtain the oral or

written consent of the [client] consumer to forward a copy of the medical records.

- 2. As used in this section, "medical records" includes a medical history of the [client,] consumer, a summary of the current physical condition of the [client] consumer and a discharge summary which contains the information necessary for the proper treatment of the [client.] consumer.
 - **Sec. 64.** NRS 433B.210 is hereby amended to read as follows:

433B.210 The Division may:

- 1. By contract with general hospitals or other institutions having adequate facilities in this State, provide for inpatient care of [clients] consumers with mental illness.
- 2. Contract with appropriate persons professionally qualified in the field of psychiatric mental health to provide inpatient and outpatient care for children with mental illness when it appears that they can be treated best in that manner.
 - **Sec. 65.** NRS 433B.250 is hereby amended to read as follows:
- 433B.250 1. The Division shall establish a fee schedule for services rendered through any program supported by the State pursuant to the provisions of this chapter. The schedule must be submitted to the Commission and the Director of the Department for joint approval before enforcement. The fees collected by facilities operated by the Division pursuant to this schedule must be deposited in the State Treasury to the credit of the State General Fund, except as otherwise provided in NRS 433B.220 for fees collected pursuant to contract or agreement.
- 2. For a facility providing services for the treatment of children with mental illness, the fee established must approximate the cost of providing the service, but if a <code>{elient,} consumer</code>, or the parent or legal guardian of the <code>[client,] consumer</code>, is unable to pay in full the fee established pursuant to this section, the Division may collect any amount the <code>[elient,] consumer</code>, parent or legal guardian is able to pay.
 - **Sec. 66.** NRS 433B.280 is hereby amended to read as follows:
- 433B.280 1. Upon the death of a [client] consumer in a division facility, any known relatives or friends of the [client] consumer must be notified immediately of the fact of death.
- 2. The Administrator or the Administrator's designee shall cause a decent burial to be provided for the [elient] consumer outside the grounds of a division facility. The Administrator or the designee may enter into a contract with any person or persons, including governmental agencies or other instrumentalities, as the Administrator or the designee deems proper, for a decent burial. Where there are known relatives, and they are financially able, the cost of burial must be borne by the relatives. Where there are no known relatives, the cost of burial is a charge against the State of Nevada, except that the cost must not exceed the amount charged for the burial of indigents in the county in which the burial takes place.
 - **Sec. 67.** NRS 433B.340 is hereby amended to read as follows:

- 433B.340 1. An employee of the Division or other person who:
- (a) Has reason to believe that a **[client]** consumer has been or is being abused or neglected and fails to report it;
- (b) Brings intoxicating beverages or a controlled substance into any building occupied by [clients] consumers unless specifically authorized to do so by the administrative officer or a staff physician of the facility;
- (c) Is under the influence of liquor or a controlled substance while employed in contact with [elients,] consumers, unless in accordance with a lawfully issued prescription;
- (d) Enters into any transaction with a **[client]** consumer involving the transfer of money or property for personal use or gain at the expense of the **[client;]** consumer; or
- (e) Contrives the escape, elopement or absence of a [client,] consumer, → is guilty of a misdemeanor.
- 2. An employee of the Division or other person who willfully abuses or neglects any [client:] consumer:
- (a) If no substantial bodily harm to the **[client]** consumer results, is guilty of a gross misdemeanor.
- (b) If substantial bodily harm to the [client] consumer results, is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$5,000, or by both fine and imprisonment.
- 3. A person who is convicted pursuant to this section is ineligible for 5 years for appointment to or employment in a position in the state service and, if he or she is an officer or employee of the State, the person forfeits his or her office or position.
 - 4. For the purposes of this section:
- (a) "Abuse" means any willful or reckless act or omission to act which causes physical or mental injury to a [client,] consumer, including, but not limited to:
- (1) The rape, sexual assault or sexual exploitation of the [client;] consumer;
 - (2) Striking the [client;] consumer;
- (3) The use of excessive force when placing the **[client]** consumer in physical restraints; and
- (4) The use of physical or chemical restraints in violation of state or federal law.
- → Any act or omission to act which meets the standard practice for care and treatment does not constitute abuse.
- (b) "Neglect" means any act or omission to act which causes injury to a **[client]** consumer or which places the **[client]** consumer at risk of injury, including, but not limited to, the failure to:
- (1) Establish or carry out an appropriate plan of treatment for the [elient;] consumer;

- (2) Provide the [client] consumer with adequate nutrition, clothing or health care; and
 - (3) Provide a safe environment for the [client.] consumer.
- Any act or omission to act which meets the standard practice for care and treatment does not constitute neglect.
- (c) "Standard practice" is the skill and care ordinarily exercised by prudent medical personnel.
 - **Sec. 68.** NRS 435.007 is hereby amended to read as follows:
 - 435.007 As used in this chapter, unless the context otherwise requires:
- 1. "Child" means any person under the age of 18 years who may be eligible for mental retardation services or services for a related condition.
- 2. "Parent" means the parent of a child. The term does not include the parent of a person who has attained the age of 18 years.
- 3. "Person" includes a child and any other **[client]** *consumer* with mental retardation or a related condition who has attained the age of 18 years.
- 4. "Residential facility for groups" means a structure similar to a private residence which will house a small number of persons in a homelike atmosphere.
 - **Sec. 69.** NRS 435.122 is hereby amended to read as follows:
- 435.122 1. Any person with mental retardation or a person with a related condition may apply to any mental retardation center for admission as a voluntary [client.] *consumer*. The person's parent or guardian or another responsible person may submit the application on his or her behalf.
- 2. If the person or a responsible party on behalf of the person objects to voluntary admission, the procedure for involuntary admission may be followed.
 - **Sec. 70.** NRS 435.128 is hereby amended to read as follows:
- 435.128 1. Upon completion of the proceedings for involuntary admission of a person to a mental retardation center, if the court finds:
- (a) That the person is a person with mental retardation or a person with a related condition, has demonstrated that the person is a clear and present danger to himself or herself or others and is in need of institutional training and treatment;
- (b) That appropriate space and programs are available at the mental retardation center to which it is proposed that the person be admitted; and
- (c) That there is no less restrictive alternative to admission to a mental retardation center which would be consistent with the best interests of the person,
- → the court shall by written order certify that the person is eligible for involuntary admission to a mental retardation center.
- 2. A certificate of eligibility for involuntary admission expires 12 months after the date of issuance if the **[elient]** *consumer* has not been discharged earlier by the procedure provided in NRS 435.129. At the end of the 12month period, the administrative officer of the mental retardation center may petition the court to renew the certificate for an additional period of not more

than 12 months. Each petition for renewal must set forth the specific reasons why further treatment is required. A certificate may be renewed more than once.

- **Sec. 71.** NRS 435.129 is hereby amended to read as follows:
- 435.129 1. If the administrative officer of a mental retardation center finds that a [elient] consumer is no longer in need of the services offered at the center, the administrative officer shall discharge that [elient.] consumer.
- 2. A written notice of the discharge must be given to the [client] consumer and the [client's] consumer's representatives at least 10 days before the discharge.
- 3. If the [client] consumer was admitted involuntarily, the Administrator shall, at least 10 days before the discharge, notify the district court which issued the certificate of eligibility for the person's admission.
 - **Sec. 72.** NRS 435.350 is hereby amended to read as follows:
- 435.350 1. Each person with mental retardation and each person with a related condition admitted to a division facility is entitled to all rights enumerated in NRS 433.482, 433.484 and 433.545 to 433.551, inclusive.
- 2. The Administrator shall designate a person or persons to be responsible for establishment of regulations relating to denial of rights of persons with mental retardation and persons with related conditions. The person designated shall file the regulations with the Administrator.
- 3. [Clients'] Consumers' rights specified in NRS 433.482 and 433.484 may be denied only for cause. Any denial of such rights must be entered in the [client's] consumer's treatment record, and notice of the denial must be forwarded to the Administrator's designee or designees as provided in subsection 2. Failure to report denial of rights by an employee may be grounds for dismissal.
- 4. Upon receipt of notice of a denial of rights as provided in subsection 3, the Administrator's designee or designees shall cause a full report to be prepared which sets forth in detail the factual circumstances surrounding the denial. A copy of the report must be sent to the Administrator and the Commission.
- 5. The Commission has such powers and duties with respect to reports of denial of rights as are enumerated in subsection 3 of NRS 433.534.
 - **Sec. 73.** NRS 435.360 is hereby amended to read as follows:
- 435.360 1. The relatives of a [client] consumer with mental retardation or a [client] consumer with a related condition who is 18 years of age or older are not responsible for the costs of the [client's] consumer's care and treatment within a division facility.
- 2. The [client] consumer or the [client's] consumer's estate, when able, may be required to contribute a reasonable amount toward the costs of the [client's] consumer's care and treatment. Otherwise, the full costs of the services must be borne by the State.
 - **Sec. 74.** NRS 435.390 is hereby amended to read as follows:

- 435.390 1. The administrative officer of any division facility where persons with mental retardation or persons with related conditions reside may establish a canteen operated for the benefit of **[clients]** consumers and employees of the facility. The administrative officer shall keep a record of transactions in the operation of the canteen.
- 2. Each canteen must be self-supporting. No money provided by the State may be used for its operation.
- 3. The respective administrative officers shall deposit the money used for the operation of the canteen in one or more banks or credit unions of reputable standing, except that an appropriate sum may be maintained as petty cash at each canteen.
- **Sec. 75.** NRS 433.044, 433.459, 433A.014 and 433B.050 are hereby repealed.
- **Sec. 76.** The Legislative Counsel shall, in preparing supplements to the Nevada Administrative Code, appropriately change, move or remove any words and terms in the Nevada Administrative Code in a manner that the Legislative Counsel determines necessary to ensure consistency with the provisions of this act.
- **Sec. 77.** This act becomes effective upon passage and approval for the purpose of adopting regulations and on January 1, 2012, for all other purposes.

TEXT OF REPEALED SECTIONS

- **433.044** "Client" defined. "Client" means any person who seeks, on his or her own or another's initiative, and can benefit from, care, treatment and training provided by the Division, or from treatment to competency provided by the Division.
- **433.459** "Client" defined. "Client" means any person who seeks, on the person's own or others' initiative, and can benefit from, care, treatment and training in any facility, or from treatment to competency in any facility.
- **433A.014** "Client" defined. "Client" means any person who seeks, on the person's own or another's initiative, and can benefit from, care, treatment, treatment to competency or training provided by the Division.
- **433B.050** "Client" defined. "Client" means a child who seeks, on the child's own or another's initiative, and can benefit from care and treatment provided by the Division.

Senator Copening moved the adoption of the amendment.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Amendment No. 86 requires the Division of Mental Health and Developmental Services to specify in the regulations that define when a consumer may receive services from the Division, that a consumer is eligible to receive services only if the consumer has a documented diagnosis of a mental disorder, and with certain exceptions, is not eligible to receive services through another public or private entity. It also requires the Division to establish policies and procedures for referring consumers who need services that the Division is unable to provide.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 65.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 54.

"SUMMARY—Revises provisions concerning the quarterly publication of certain financial information by [incorporated-eities.] certain local governments. (BDR 21-400)"

"AN ACT relating to local financial administration; revising provisions concerning the quarterly publication of certain financial information by an incorporated city **or a county**; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law requires the clerk and council of each city incorporated under general law or charter to publish <u>in a newspaper</u> a quarterly statement of the city's finances that shows the receipts and disbursements and the details of each bill that the city has paid. (NRS 268.030) **Section 2** of this bill requires the publication of only the total amounts of the city's receipts, disbursements and bills paid for the quarter but expressly provides that the receipts, bills and other documents which support each transaction that is included in the published totals are public records which are available for inspection and copying. **Section 2 also requires publication of the financial statement on the Internet website of the city, if the city maintains an Internet website. Section 1** of this bill eliminates a duplicative requirement for the publication of financial information that only applies to the city clerks of cities incorporated under general law.

Under existing law, a board of county commissioners is required to publish in a newspaper a quarterly financial statement of receipts, expenditures and bills allowed. (NRS 244.225, 354.210) Sections 3 and 4 of this bill require the publication of only the total amounts of the county's receipts, expenditures and bills allowed but expressly provides that the receipts, bills and other documents which support each transaction that is included in the published totals are public records which are available for inspection and copying. Sections 3 and 4 also require publication of the financial statement on the Internet website of the county if the county maintains an Internet website.

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

Section 1. NRS 266.480 is hereby amended to read as follows: 266.480 The city clerk shall:

1. Keep the office of the city clerk at the place of meeting of the city council, or some other place convenient thereto, as the council may direct.

- 2. Keep the corporate seal and all papers and records of the city.
- 3. Keep a record of the proceedings of the city council, whose meetings the city clerk shall attend.
- 4. Countersign all contracts made in behalf of the city, and every such contract or contracts to which the city is a party shall be void unless signed by the city clerk.
- [5. Cause to be published quarterly in some newspaper published in the city a statement of the finances of the city, showing receipts and disbursements, and bills allowed and paid. The statement shall be signed by the mayor and attested by the city clerk. If there should be no newspaper published in the county, the financial statement shall be published in a newspaper of general circulation in the county.]
 - **Sec. 2.** NRS 268.030 is hereby amended to read as follows:
- 268.030 1. After March 23, 1939, the city clerk and city council of every incorporated city in this state, whether incorporated under the provisions of chapter 266 of NRS or under the provisions of a special act, shall cause to be published quarterly in some newspaper, published as hereinafter provided, a statement of the finances of the city, showing *the total amounts of* receipts, [and] disbursements [, exhibiting in detail the] and bills allowed and paid [] for the period covered by the statement. The statement [shall] must [inform]:
 - (a) Inform the public of the provisions of subsection [2, must be] 3:
- (b) If the city maintains an official Internet website, inform the public of where the financial statement is posted on the Internet website pursuant to subsection 2;
- (c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
- (d) Provide the address of the city office or offices where the public may view the detailed financial documents;
- (e) Be signed by the mayor and attested by the city clerk [;]; and [shall] [must be]
- <u>(f) Be</u> published in a newspaper published in [such] the city [H] for a <u>period of at least 5 consecutive days.</u> If [there shall be] no newspaper is published in [such] the city, then the financial statement [shall] must be published in a newspaper published in the county, and if [there be] no newspaper is published in the county, [such] the financial statement [shall] must be published in a newspaper of general circulation in the county or posted by the city clerk at the door of the city hall.
- 2. If a city maintains an official Internet website, the city clerk and city council shall cause to be published quarterly on the Internet website of the city a statement of the finances of the city, showing the total amounts of receipts, disbursements and bills allowed and paid for the period covered by the statement. The statement must:
 - (a) Inform the public of the provisions of subsection 3;

- (b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
- (c) Provide the address of the city office or offices where the public may view the detailed financial documents;
 - (d) Be signed by the mayor and attested by the city clerk; and
- (e) Be published on the Internet website of the city for a period of at least 5 consecutive days.
- 3. The original and any duplicate or copy of each receipt, bill, invoice, check, warrant, voucher or other similar document that supports a transaction, the amount of which is included in the total amounts shown in the financial statement published pursuant to this section is a public record that is available for inspection and copying by any person pursuant to the provisions of chapter 239 of NRS.
- $\frac{f3-f}{2}$ Any city officer [in this state] who [shall violate] violates the provisions of this section [shall be deemed] is guilty of a misdemeanor.

Sec. 3. NRS 244.225 is hereby amended to read as follows:

- 244.225 <u>I.</u> The board of county commissioners shall publish quarterly a statement of the <u>total amounts of</u> receipts and expenditures of the 3 months next preceding, and the <u>total amounts of</u> accounts allowed. Publications shall be made by making one insertion of the statement in a newspaper published in the county, but if no newspaper <u>[be]</u> <u>is</u> published in the county, then such publication shall be made by posting a copy of the statement at the courthouse door and at two other public places in the county. <u>The statement</u> must:
 - (a) Inform the public of the provisions of subsection 3;
- (b) If the county maintains an official Internet website, inform the public of where the statement is posted on the Internet website pursuant to subsection 2;
- (c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
- (d) Provide the address of the county office or offices where the public may view the detailed financial documents; and
 - (e) Be published for a period of at least 5 consecutive days.
- 2. If a county maintains an official Internet website, the board of county commissioners shall publish quarterly on the Internet website of the county a statement of the total amounts of receipts and expenditures of the 3 months next preceding and the total amounts of accounts allowed. The statement must:
 - (a) Inform the public of the provisions of subsection 3;
- (b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
- (c) Provide the address of the county office or offices where the public may view the detailed financial documents; and
- (d) Be published on the official Internet website of the county for a period of at least 5 consecutive days.

- 3. The original and any duplicate or copy of each receipt, bill, invoice, check, warrant, voucher or other similar document that supports a transaction, the amount of which is included in the total amounts shown in the statement published pursuant to this section, is a public record that is available for inspection and copying by any person pursuant to the provisions of chapter 239 of NRS.
 - Sec. 4. NRS 354.210 is hereby amended to read as follows:
- 354.210 1. Except as provided in subsection 3, the board of county commissioners shall cause <u>a statement of</u> the <u>total</u> amount of [all] bills allowed by it <u>I</u>, together with the names of the persons to whom such allowances are made and for what such allowances are made, to be published in some newspaper published in the county. <u>The statement must:</u>
 - (a) Inform the public of the provisions of subsection 5;
- (b) If the county maintains an official Internet website, inform the public of where the statement is posted on the Internet website pursuant to subsection 4;
- (c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
- (d) Provide the address of the county office or offices where the public may view the detailed financial documents; and
 - (e) Be published for a period of at least 5 consecutive days.
- 2. The amount paid for such publication shall not exceed the statutory rate for publication of legal notices, and the publication shall not extend beyond a single insertion.
- 3. Where no newspaper is published in a county, the board of county commissioners may cause to be published, in some newspaper having a general circulation within the county, the allowances provided for in subsection 1, or shall cause the clerk of the board to post such allowances at the door of the courthouse.
- 4. If a county maintains an official Internet website, the board of county commissioners shall publish on the official Internet website of the county a statement of the total amount of bills allowed by it. The statement must:
 - (a) Inform the public of the provisions of subsection 5;
- (b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
- (c) Provide the address of the county office or offices where the public may view the detailed financial documents; and
- (d) Be published on the official Internet website of the county for a period of at least 5 consecutive days.
- 5. The original and any duplicate or copy of each bill, including, without limitation, the amount of the bill, the name of the person to whom such allowance is made and for what such allowance is made, or any other document that supports a transaction, the amount of which is included in the total amount shown in the statement published pursuant to this section,

is a public record that is available for inspection and copying by any person pursuant to the provisions of chapter 239 of NRS.

[See. 3.] Sec. 5. This act becomes effective upon passage and approval.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Senator Settelmeyer requested that his remarks be entered in the Journal.

Amendment No. 54 to Senate Bill No. 65 makes the same provisions set forth in Senate Bill No. 65 relating to incorporated cities applicable to counties in Chapter 244 of the Nevada Revised Statutes. It also provides that the quarterly summary statement of the county should be printed for at a least a period of five consecutive days; and requires the quarterly statement to include instructions for the public indicating; where on the county's or city's Internet website the statement can be viewed; a telephone number the public may call to obtain financial documents; and an address of the city or county offices where the public may view the statements.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 74.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 71.

"SUMMARY—Changes the designation of certain state funds and accounts. (BDR 31-397)"

"AN ACT relating to state financial administration; changing the designation of certain funds and accounts; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill changes the designation of various state funds and accounts in existing law.

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

Section 1. NRS 353.266 is hereby amended to read as follows:

- 353.266 1. The Contingency [Fund] Account is hereby created [as a special revenue fund.] in the State General Fund. Money for the [Fund] Account must be provided by direct legislative appropriation.
- 2. Money in the Contingency [Fund] *Account* may be allocated and expended within the limitations and in the manner provided in NRS 353.268, 353.269 and 538.650 or by the Legislature directly:
- (a) For emergency use to supplement regular legislative appropriations which fail to cover unforeseen expenses;
 - (b) To meet expenses pursuant to the requirements of the law; or
 - (c) As provided by specific statute.
 - **Sec. 2.** NRS 353.2735 is hereby amended to read as follows:

- 353.2735 1. The Disaster Relief Account is hereby created [as a special account in the Fund to Stabilize the Operation of the State Government.] in the State General Fund. The Interim Finance Committee shall administer the Disaster Relief Account.
- 2. The Division may accept grants, gifts or donations for deposit in the **Disaster Relief** Account. Except as otherwise provided in subsection 3, money received from:
 - (a) A direct legislative appropriation to the *Disaster Relief* Account;
- (b) A transfer from the State General Fund in an amount equal to not more than 10 percent of the aggregate balance in the [Fund] Account to Stabilize the Operation of the State Government [, excluding the aggregate balance in the Disaster Relief Account and the Emergency Assistance Subaccount,] made pursuant to NRS 353.288; and
 - (c) A grant, gift or donation to the *Disaster Relief* Account,
- → must be deposited in the *Disaster Relief* Account. Except as otherwise provided in NRS 414.135, the interest and income earned on the money in the *Disaster Relief* Account must, after deducting any applicable charges, be credited to the *Disaster Relief* Account.
- 3. If, at the end of each quarter of a fiscal year, the balance in the *Disaster Relief* Account exceeds 0.75 percent of the total amount of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year, the State Controller shall not, until the balance in the *Disaster Relief* Account is 0.75 percent or less of that amount, transfer any money in the [Fund] *Account* to Stabilize the Operation of the State Government from the State General Fund to the *Disaster Relief* Account pursuant to the provisions of NRS 353.288.
- 4. Money in the *Disaster Relief* Account may be used for any purpose authorized by the Legislature or distributed through grants and loans to state agencies and local governments as provided in NRS 353.2705 to 353.2771, inclusive. Except as otherwise provided in NRS 353.276, such grants will be disbursed on the basis of reimbursement of costs authorized pursuant to NRS 353.274 and 353.2745.
- 5. If the Governor declares a disaster, the State Board of Examiners shall estimate:
- (a) The money in the *Disaster Relief* Account that is available for grants and loans for the disaster pursuant to the provisions of NRS 353.2705 to 353.2771, inclusive; and
 - (b) The anticipated amount of those grants and loans for the disaster.
- → Except as otherwise provided in this subsection, if the anticipated amount determined pursuant to paragraph (b) exceeds the available money in the **Disaster Relief** Account for such grants and loans, all grants and loans from the **Disaster Relief** Account for the disaster must be reduced in the same proportion that the anticipated amount of the grants and loans exceeds the

money in the *Disaster Relief* Account that is available for grants and loans for the disaster. If the reduction of a grant or loan from the *Disaster Relief* Account would result in a reduction in the amount of money that may be received by a state agency or local government from the Federal Government, the reduction in the grant or loan must not be made.

- **Sec. 3.** NRS 353.288 is hereby amended to read as follows:
- 353.288 1. The [Fund] Account to Stabilize the Operation of the State Government is hereby created [as a special revenue fund.] in the State General Fund. Except as otherwise provided in subsections 3 and 4, each year after the close of the previous fiscal year and before the issuance of the State Controller's annual report, the State Controller shall transfer from the State General Fund to the [Fund] Account to Stabilize the Operation of the State Government:
- (a) Forty percent of the unrestricted balance of the State General Fund, as of the close of the previous fiscal year, which remains after subtracting an amount equal to 7 percent of all appropriations made from the State General Fund during that previous fiscal year for the operation of all departments, institutions and agencies of State Government and for the funding of schools; and
- (b) Commencing with the fiscal year that begins on July 1, 2011, 1 percent of the total anticipated revenue for the fiscal year in which the transfer will be made, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year.
- 2. Money transferred pursuant to subsection 1 to the [Fund] Account to Stabilize the Operation of the State Government is a continuing appropriation solely for the purpose of authorizing the expenditure of the transferred money for the purposes set forth in this section.
- 3. The balance in the [Fund] Account to Stabilize the Operation of the State Government [, excluding the aggregate balance in the Disaster Relief Account and the Emergency Assistance Subaccount,] must not exceed 20 percent of the total of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State Government and for the funding of schools and authorized expenditures from the State General Fund for the regulation of gaming for the fiscal year in which that revenue will be transferred to the [Fund] Account to Stabilize the Operation of the State Government.
- 4. Except as otherwise provided in this subsection and NRS 353.2735, beginning with the fiscal year that begins on July 1, 2003, the State Controller shall, at the end of each quarter of a fiscal year, transfer from the State General Fund to the Disaster Relief Account created pursuant to NRS 353.2735 an amount equal to not more than 10 percent of the aggregate balance in the [Fund] Account to Stabilize the Operation of the State Government during the previous quarter. [, excluding the aggregate balance

in the Disaster Relief Account and the Emergency Assistance Subaccount ereated pursuant to NRS 414.135.] The State Controller shall not transfer more than \$500,000 for any quarter pursuant to this subsection.

- 5. The Chief of the Budget Division of the Department of Administration may submit a request to the State Board of Examiners to transfer money from the **Fund** *Account* to Stabilize the Operation of the State Government to the State General Fund:
- (a) If the total actual revenue of the State falls short by 5 percent or more of the total anticipated revenue for the biennium in which the transfer will be made, as determined by the Legislature, or the Interim Finance Committee if the Legislature is not in session; or
- (b) If the Legislature, or the Interim Finance Committee if the Legislature is not in session, and the Governor declare that a fiscal emergency exists.
- 6. The State Board of Examiners shall consider a request made pursuant to subsection 5 and shall, if it finds that a transfer should be made, recommend the amount of the transfer to the Interim Finance Committee for its independent evaluation and action. The Interim Finance Committee is not bound to follow the recommendation of the State Board of Examiners.
- 7. If the Interim Finance Committee finds that a transfer recommended by the State Board of Examiners should and may lawfully be made, the Committee shall by resolution establish the amount and direct the State Controller to transfer that amount to the State General Fund. The State Controller shall thereupon make the transfer.
- 8. In addition to the manner of allocation authorized pursuant to subsections 5, 6 and 7, the money in the [Fund] *Account* to Stabilize the Operation of the State Government may be allocated directly by the Legislature to be used for any other purpose.
 - **Sec. 4.** NRS 2.490 is hereby amended to read as follows:
- 2.490 All gifts of money which the Supreme Court Librarian is authorized to accept must be deposited in the [State Treasury in a fund to be known as the] Supreme Court Law Library Gift [Fund.] Account, which is hereby created in the State General Fund. The [Fund] Account is a continuing [fund] account without reversion, and money in the [Fund] Account must be used for Supreme Court Law Library purposes only and expended in accordance with the terms of the gift.
 - **Sec. 5.** NRS 120A.610 is hereby amended to read as follows:
- 120A.610 1. Except as otherwise provided in subsections 4 to 8, inclusive, all abandoned property other than money delivered to the Administrator under this chapter must, within 2 years after the delivery, be sold by the Administrator to the highest bidder at public sale in whatever manner affords, in his or her judgment, the most favorable market for the property. The Administrator may decline the highest bid and reoffer the property for sale if the Administrator considers the bid to be insufficient.

- 2. Any sale held under this section must be preceded by a single publication of notice, at least 3 weeks before sale, in a newspaper of general circulation in the county in which the property is to be sold.
- 3. The purchaser of property at any sale conducted by the Administrator pursuant to this chapter takes the property free of all claims of the owner or previous holder and of all persons claiming through or under them. The Administrator shall execute all documents necessary to complete the transfer of ownership.
- 4. Except as otherwise provided in subsection 5, the Administrator need not offer any property for sale if the Administrator considers that the probable cost of the sale will exceed the proceeds of the sale. The Administrator may destroy or otherwise dispose of such property or may transfer it to:
- (a) The Nevada State Museum Las Vegas, the Nevada State Museum or the Nevada Historical Society, upon its written request, if the property has, in the opinion of the requesting institution, historical, artistic or literary value and is worthy of preservation; or
- (b) A genealogical library, upon its written request, if the property has genealogical value and is not wanted by the Nevada State Museum Las Vegas, the Nevada State Museum or the Nevada Historical Society.
- → An action may not be maintained by any person against the holder of the property because of that transfer, disposal or destruction.
- 5. The Administrator shall transfer property to the Office of Veterans' Services, upon its written request, if the property has military value.
- 6. Securities delivered to the Administrator pursuant to this chapter may be sold by the Administrator at any time after the delivery. Securities listed on an established stock exchange must be sold at the prevailing price for that security on the exchange at the time of sale. Other securities not listed on an established stock exchange may be sold:
- (a) Over the counter at the prevailing price for that security at the time of sale; or
 - (b) By any other method the Administrator deems acceptable.
- 7. The Administrator shall hold property that was removed from a safe-deposit box or other safekeeping repository for 1 year after the date of the delivery of the property to the Administrator, unless that property is a will or a codicil to a will, in which case the Administrator shall hold the property for 10 years after the date of the delivery of the property to the Administrator. If no claims are filed for the property within that period and the Administrator determines that the probable cost of the sale of the property will exceed the proceeds of the sale, it may be destroyed.
- 8. All proceeds received by the Administrator from abandoned gift certificates must be accounted for separately in the Abandoned Property Trust Account in the State General Fund. At the end of each fiscal year, before any other money in the Abandoned Property Trust Account is transferred pursuant to NRS 120A.620, the balance in the Jaccount

subaccount created pursuant to this subsection, less any costs, service charges or claims chargeable to the [account,] **subaccount**, must be transferred to the Educational Trust [Fund] **Account**, which is hereby created in the State [Treasury.] **General Fund**. The money in the Educational Trust [Fund] **Account** may be expended only as authorized by the Legislature for educational purposes.

- **Sec. 6.** NRS 206.340 is hereby amended to read as follows:
- 206.340 1. The Graffiti Reward [Fund] Account is hereby created in the State General Fund.
- 2. When a defendant pleads or is found guilty of violating NRS 206.125, 206.330 or 206.335, the court shall include an administrative assessment of \$250 for each violation in addition to any other fine or penalty. The money collected must be paid by the clerk of the court to the State Controller on or before the fifth day of each month for the preceding month for credit to the Graffiti Reward [Fund.] Account.
- 3. All money received pursuant to subsection 2 must be deposited with the State Controller for credit to the Graffiti Reward [Fund.] Account. The money in the [Fund] Account must be used:
- (a) To pay a reward to a person who, in response to the offer of a reward, provides information which results in the identification, apprehension and conviction of a person who violates NRS 206.125, 206.330 or 206.335; or
 - (b) For any other purpose authorized by the Legislature.
- 4. If sufficient money is available in the Graffiti Reward [Fund,] *Account,* a state law enforcement agency may offer a reward, not to exceed \$1,000, for information leading to the identification, apprehension and conviction of a person who violates NRS 206.125, 206.330 or 206.335. The reward must be paid out of the Graffiti Reward [Fund] *Account* upon approval by the State Board of Examiners.
 - Sec. 7. INRS 218A.150 is hereby amended to read as follows:
- 218A.150 1. The Legislative [Fund]—Account is hereby created [as a special revenue fund]—in the State General Fund for the use of the Legislature, and where specifically authorized by law, for the use of the Legislative Counsel Bureau.
- 2. Support for the Legislative-[Fund]—Account must be provided by legislative appropriation from the State General Fund.
 - 3. Expenditures from the Legislative-[Fund] Account may be made for:
 - (a) The payment of necessary expenses of the Senate:
 - (b) The payment of necessary expenses of the Assembly:
- (c) The payment of necessary improvements to the Legislative Building and its grounds:
- (d) The payment of expenses for the interim operation of the Legislature; and
 - (e) The payment of necessary expenses of, but not limited to:
 - (1) The Legislative Commission:
 - (2) The Legal Division;

- (3) The Research Division:
- (4) The Audit Division:
- (5) The Fiscal Analysis Division; and
- (6) The Administrative Division.
- → of the Legislative Counsel Bureau.
- 4. Expenditures from the Legislative-[Fund] Account for purposes other than those specified in subsection 3 or authorized specifically by another statute may be made only upon the authority of a concurrent resolution regularly adopted by the Senate and Assembly.
- 5. All money in the Legislative [Fund]—Account must be paid out or claims approved by the Director of the Legislative Counsel Bureau or his or her designee.] (Deleted by amendment.)
 - Sec. 8. NRS 228.630 is hereby amended to read as follows:
- 228.630 1. The Registry [Fund] Account is hereby created [as a special revenue fund] in the State [Treasury] General Fund for the use of the Attorney General.
- 2. All money collected by the Attorney General pursuant to NRS 228.580 must be deposited in the State [Treasury] General Fund for credit to the Registry [Fund.] Account. The interest and income earned on the money in the Registry [Fund.] Account, after deducting any applicable charges, must be credited to the Registry [Fund.] Account.
- 3. Expenditures from the Registry [Fund] *Account* must be made only to administer and enforce the provisions of NRS 228.500 to 228.640, inclusive.
- 4. The Attorney General shall administer the Registry [Fund.] *Account*. All claims against the Registry [Fund] *Account* must be paid as other claims against the State are paid.
- 5. Any money remaining in the Registry [Fund] Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Registry [Fund] Account must be carried forward to the next fiscal year.
- 6. Each year, the Attorney General shall submit an itemized statement of the income and expenditures for the Registry [Fund:] Account:
 - (a) To the Legislature, if the Legislature is in session; or
 - (b) To the Interim Finance Committee, if the Legislature is not in session.
 - **Sec. 9.** NRS 231.153 is hereby amended to read as follows:
- 231.153 1. The Nevada Economic Development [Fund] Account is hereby created in the State [Treasury as a special revenue fund.] General Fund.
- 2. Except as otherwise provided in subsection 4, the Nevada Economic Development [Fund] Account is a continuing [fund] account without reversion. The money in the [Fund] Account must be invested as the money in other state [funds] accounts is invested. The interest and income earned on the money in the [Fund.] Account, after deducting any applicable charges, must be credited to the [Fund.] Account. Claims against the [Fund.] Account must be paid as other claims against the State are paid.

- 3. The Commission on Economic Development may accept gifts, grants and donations from any source for deposit in the Nevada Economic Development [Fund.] Account.
- 4. The State Board of Examiners may, upon making a determination that any portion of any amount appropriated by the Legislature for deposit in the **Fund!** Account is necessary to meet existing or future obligations of the State, recommend to the Interim Finance Committee that the amount so needed be transferred from the **Fund!** Account to the State General Fund. Upon approval of the Interim Finance Committee, the money may be so transferred.
 - **Sec. 10.** NRS 233C.095 is hereby amended to read as follows:
- 233C.095 1. The Nevada Cultural [Fund] Account is hereby created [as a special revenue fund.] in the State General Fund. The purposes of the [Fund] Account are to:
 - (a) Ensure a stable and healthy cultural climate in this state;
- (b) Advance and promote a meaningful role of the arts and humanities in the lives of individual persons, families and communities throughout this state; and
- (c) Stimulate the provision of additional funding from private sources to carry out the provisions of paragraphs (a) and (b).
- → The money in the [Fund] Account must be used to augment and must not be used to replace or supplant any legislative appropriations to the Division.
- 2. Except as otherwise provided in subsection 4, the [Fund] Account is a continuing [fund] account without reversion. The money in the [Fund] Account must be invested as the money in other state [funds] accounts is invested. The interest and income earned on the money in the [Fund,] Account, after deducting any applicable charges, must be credited to the [Fund.] Account. Claims against the [Fund] Account must be paid as other claims against the State are paid.
- 3. The Division may accept gifts, grants and donations from any source for deposit in the [Fund.] Account.
- 4. The State Board of Examiners may, upon making a determination that any portion of any amount appropriated by the Legislature for deposit in the **Fund!** Account is necessary to meet existing or future obligations of the State, recommend to the Interim Finance Committee that the amount so needed be transferred from the **Fund!** Account to the State General Fund. Upon approval of the Interim Finance Committee, the money may be so transferred.
 - **Sec. 11.** NRS 240.018 is hereby amended to read as follows:
 - 240.018 1. The Secretary of State may:
- (a) Provide courses of study for the mandatory training of notaries public. Such courses of study must include at least 4 hours of instruction relating to the functions and duties of notaries public.
- (b) Charge a reasonable fee to each person who enrolls in a course of study for the mandatory training of notaries public.

- 2. A course of study provided pursuant to this section must comply with the regulations adopted pursuant to subsection 1 of NRS 240.017.
- 3. The following persons are required to enroll in and successfully complete a course of study provided pursuant to this section:
 - (a) A person applying for appointment as a notary public for the first time.
- (b) A person renewing his or her appointment as a notary public, if the appointment has expired for a period greater than 1 year.
- (c) A person renewing his or her appointment as a notary public, if during the immediately preceding 4 years the person has been fined for failing to comply with a statute or regulation of this State relating to notaries public.
- A person who holds a current appointment as a notary public is not required to enroll in and successfully complete a course of study provided pursuant to this section if the person is in compliance with all of the statutes and regulations of this State relating to notaries public.
- 4. The Secretary of State shall deposit the fees collected pursuant to paragraph (b) of subsection 1 in the following manner:
- (a) Seventy-five percent of the fees collected must be deposited in the State General Fund.
- (b) Twenty-five percent of the fees collected must be deposited in the Notary Public Training [Fund] Account which is hereby created [as a special revenue fund] in the State [Treasury.] General Fund. The [Fund] Account must be administered by the Secretary of State. Any interest and income earned on the money in the [Fund.] Account, after deducting any applicable charges, must be credited to the [Fund.] Account. Any money remaining in the [Fund] Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the [Fund] Account must be carried forward. All claims against the [Fund] Account must be paid as other claims against the State are paid. The money in the [Fund] Account may be expended:
- (1) To pay for expenses related to providing courses of study for the mandatory training of notaries public, including, without limitation, the rental of rooms and other facilities, advertising, travel and the printing and preparation of course materials; or
 - (2) For any other purpose authorized by the Legislature.
 - **Sec. 12.** NRS 278.750 is hereby amended to read as follows:
- 278.750 1. The Southern Nevada Enterprise Community Projects [Fund] Account is hereby created in the State [Treasury.] General Fund. The interest and income earned on the money in the [Fund,] Account, after deducting any applicable charges, must be credited to the [Fund.] Account.
- 2. The Southern Nevada Enterprise Community Board shall administer the [Fund] *Account* and may accept gifts, grants and other money for deposit in the [Fund.] *Account*.
- 3. The money in the [Fund] *Account* may only be used to fund projects in the Southern Nevada Enterprise Community and is hereby authorized for expenditure as a continuing appropriation for this purpose.

- **Sec. 13.** NRS 293.442 is hereby amended to read as follows:
- 293.442 1. As used in this section, "Act" means the Help America Vote Act of 2002, Public Law 107-252.
- 2. The Election [Fund] Account is hereby created [as a special revenue fund] in the State [Treasury,] General Fund, to be administered by the Secretary of State. The Secretary of State shall deposit all money received pursuant to the Act and any state appropriation of matching money pursuant to the Act in the Election [Fund.] Account.
- 3. The interest and income earned on money in the Election [Fund] Account must be credited to the [Fund.] Account. Any balance of the money that was received pursuant to the Act remaining in the Election [Fund] Account at the end of a fiscal year does not revert and must be carried forward to the next fiscal year and is continuously available to the Secretary of State for expenditure consistent with this section.
 - 4. The Secretary of State may:
- (a) Only expend or disburse money in the Election [Fund] *Account* in accordance with the provisions of the Act.
- (b) Receive and disburse money in the Election [Fund] Account by electronic transfer.
- 5. Claims against the Election [Fund] Account must be paid as other claims against the State are paid.
 - **Sec. 14.** NRS 350A.190 is hereby amended to read as follows:
- 350A.190 1. All revenues from lending projects must be deposited in the Fund for the Municipal Bond Bank in the State Treasury, which is hereby created as **[an enterprise]** a special revenue fund.
- 2. Any revenue from lending projects which is in the Fund must be applied in the following order of priority:
- (a) Deposited into the Consolidated Bond Interest and Redemption Fund created pursuant to NRS 349.090 in amounts necessary to pay the principal of, interest on and redemption premiums due in connection with state securities issued pursuant to this chapter.
- (b) Deposited into any reserve account created for the payment of the principal of, interest on and redemption premiums due in connection with state securities issued pursuant to this chapter, in amounts and at times determined to be necessary.
 - (c) Paid out for expenses of operation and maintenance.
- (d) On July 1 of each odd-numbered year, to the extent of any uncommitted balance in the Fund, deposited in the State General Fund.
 - **Sec. 15.** NRS 361.920 is hereby amended to read as follows:
- 361.920 1. The Allodial Title Trust [Fund] Account is hereby created [] in the State General Fund. The State Treasurer shall administer the [Fund.] Account. The interest and income earned on the money in the [Trust Fund.] Account must be credited to the [Fund.] Account. The State Treasurer shall expend the money in the [Trust Fund.] Account to make the payments of property tax on behalf of the residential properties for which allodial title has

been established and not relinquished and for no other purposes except that not more than 2 percent of the money in the [Fund] Account may be used as necessary to pay expenses of the State Treasurer that are directly related to the cost to invest the money in the [Fund] Account and to administer the program. The State Treasurer shall not make any payment from the money in the [Trust Fund] Account more than 5 business days before the day on which the payment becomes due.

- 2. The State Treasurer shall invest the money in the [Trust Fund] *Account* in obligations which would be legal investments for the state pursuant to NRS 355.140.
- 3. The State Treasurer shall maintain a separate [account] subaccount in the [Trust Fund] Account for each allodial title and an Allodial Title [Account] Subaccount for Stabilization. Any interest or other income earned on the money in [an account] a subaccount that exceeds the projection of estimated interest and income made pursuant to subsection 3 of NRS 361.900 for the fiscal year must be transferred to the Allodial Title [Account] Subaccount for Stabilization as soon as practicable after June 30 of that year.
- 4. The State Treasurer shall adopt such regulations as are necessary to carry out the provisions of NRS 361.900 to 361.920, inclusive, to ensure that the Allodial Title Trust [Fund] Account is efficiently and securely maintained.
 - **Sec. 16.** NRS 384.170 is hereby amended to read as follows:
- 384.170 1. The Commission may accept gifts, donations, devises or bequests of real or personal property for the purpose of enabling it to carry out a program of historic preservation and restoration within the District, and it may expend the same for that purpose. The Commission may sell, or lease for periods not to exceed 20 years, real or personal property for use within the District which it may acquire.
- 2. The Commission shall deposit gifts or donations of money and any money acquired from selling or leasing the items described in subsection 1 in the [Trust Fund] Account for the Comstock Historic District which is hereby created in the State [Treasury.] General Fund. The [Fund] Account must be administered by the Commission. Any interest earned on the money in the [Fund] Account must be credited to the [Fund.] Account. The money deposited in the [Fund.] Account and all interest paid thereon may be expended only for the maintenance of the Commission or to carry out the program of historic preservation and restoration within the District.
 - 3. The Commission has no power of eminent domain.
 - **Sec. 17.** NRS 386.576 is hereby amended to read as follows:
- 386.576 1. The [Fund] *Account* for Charter Schools is hereby created in the State [Treasury] *General Fund* as a revolving loan [fund,] *account*, to be administered by the Department.
- 2. The money in the [revolving fund] Account must be invested as **money in** other state [funds are] accounts is invested. All interest and income earned on the money in the [revolving fund] Account must be credited to the

[revolving fund.] Account. Any money remaining in the [revolving fund] Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the [Fund] Account must be carried forward.

- 3. All payments of principal and interest on all the loans made to a charter school from the [revolving fund] Account must be deposited [in] with the State [Treasury] Treasurer for credit to the [revolving fund.] Account.
- 4. Claims against the [revolving fund] *Account* must be paid as other claims against the State are paid.
- 5. The Department may accept gifts, grants, bequests and donations from any source for deposit in the **frevolving fund.** Account.
 - **Sec. 18.** NRS 387.191 is hereby amended to read as follows:
- 387.191 1. Except as otherwise provided in this subsection, the proceeds of the tax imposed pursuant to NRS 244.33561 and any applicable penalty or interest must be paid by the county treasurer to the State Treasurer for credit to the State Supplemental School Support [Fund.] Account, which is hereby created in the State [Treasury as a special revenue fund.] General Fund. The county treasurer may retain from the proceeds an amount sufficient to reimburse the county for the actual cost of collecting and administering the tax, to the extent that the county incurs any cost it would not have incurred but for the enactment of this section or NRS 244.33561, but in no case exceeding the amount authorized by statute for this purpose. Any interest or other income earned on the money in the State Supplemental School Support [Fund.] Account must be credited to the [Fund.] Account.
- 2. The money in the State Supplemental School Support [Fund] Account is hereby appropriated for the operation of the school districts and charter schools of the state, as provided in this section. The money so appropriated is intended to supplement and not replace any other money appropriated, approved or authorized for expenditure to fund the operation of the public schools for kindergarten through grade 12. Any money that remains in the State Supplemental School Support [Fund] Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the State Supplemental School Support [Fund] Account must be carried forward to the next fiscal year.
- 3. On or before February 1, May 1, August 1 and November 1 of each year, the Superintendent of Public Instruction shall transfer from the State Supplemental School Support [Fund] Account all the proceeds of the tax imposed pursuant to NRS 244.33561, including any interest or other income earned thereon, and distribute the proceeds proportionally among the school districts and charter schools of the state. The proportionate amount of money distributed to each school district or charter school must be determined by dividing the number of students enrolled in the school districts and charter schools of the state. For the purposes of this subsection, the enrollment in each school district and the number of students who reside in the district and are enrolled in a charter school must be determined as of the

last day of the first school month of the school district for the school year. This determination governs the distribution of money pursuant to this subsection until the next annual determination of enrollment is made. The Superintendent may retain from the proceeds of the tax an amount sufficient to reimburse the Superintendent for the actual cost of administering the provisions of this section, to the extent that the Superintendent incurs any cost the Superintendent would not have incurred but for the enactment of this section, but in no case exceeding the amount authorized by statute for this purpose.

- 4. The money received by a school district or charter school from the State Supplemental School Support [Fund] Account pursuant to this section must be used to improve the achievement of students and for the payment of salaries to attract and retain qualified teachers and other employees, except administrative employees, of the school district or charter school. Nothing contained in this section shall be deemed to impair or restrict the right of employees of the school district or charter school to engage in collective bargaining as provided by chapter 288 of NRS.
- 5. On or before November 10 of each year, the board of trustees of each school district and the governing body of each charter school shall prepare a report to the Superintendent of Public Instruction, in the form prescribed by the Superintendent. The report must provide an accounting of the expenditures by the school district or charter school of the money it received from the State Supplemental School Support [Fund] Account during the preceding fiscal year.
- 6. As used in this section, "administrative employee" means any person who holds a license as an administrator, issued by the Superintendent of Public Instruction, and is employed in that capacity by a school district or charter school.
 - **Sec. 19.** NRS 396.545 is hereby amended to read as follows:
- 396.545 1. To the extent of legislative appropriation, the Board of Regents shall pay all registration fees, laboratory fees and expenses for required textbooks and course materials assessed against or incurred by a dependent child of:
- (a) A police officer, firefighter or officer of the Nevada Highway Patrol who was killed in the line of duty; or
- (b) A volunteer ambulance driver or attendant who was killed while engaged as a volunteer ambulance driver or attendant,
- → for classes taken towards satisfying the requirements of an undergraduate degree at a school within the System. No such payment may be made for any fee assessed after the child reaches the age of 23 years.
- 2. There is hereby created in the State [Treasury] General Fund a Trust [Fund] Account for the Education of Dependent Children. The Board of Regents shall administer the [Trust Fund.] Account. The Board of Regents may accept gifts and grants for deposit in the [Trust Fund.] Account. All money held by the State Treasurer or received by the Board of Regents for

that purpose must be deposited in the [Trust Fund.] Account. The money in the [Trust Fund] Account must be invested as the money in other state [funds] accounts is invested. After deducting all applicable charges, all interest and income earned on the money in the [Trust Fund] Account must be credited to the [Trust Fund.] Account.

- 3. As used in this section:
- (a) "Firefighter" means a person who is a salaried employee or volunteer member of a fire prevention or suppression unit organized by a local government and whose principal duty is to control and extinguish fires.
- (b) "Local government" means a county, city, unincorporated town or metropolitan police department.
- (c) "Police officer" means a person who is a salaried employee of a police department or other law enforcement agency organized or operated by a local government and whose principal duty is to enforce the law.
- (d) "Volunteer ambulance driver or attendant" means a person who is a driver of or attendant on an ambulance owned or operated by:
- (1) A nonprofit organization that provides volunteer ambulance service in any county, city or town in this State; or
 - (2) A political subdivision of this State.
 - **Sec. 20.** NRS 414.135 is hereby amended to read as follows:
- 414.135 1. There is hereby created *in the State General Fund* the Emergency Assistance [Subaccount within the Disaster Relief Account created pursuant to NRS 353.2735.] Account. Beginning with the fiscal year that begins on July 1, 1999, the State Controller shall, at the end of each fiscal year, transfer the interest earned during the previous fiscal year on the money in the Disaster Relief Account created pursuant to NRS 353.2735 to the [Subaccount] Emergency Assistance Account in an amount not to exceed \$500,000.
- 2. The Division of Emergency Management of the Department of Public Safety shall administer the [Subaccount.] *Emergency Assistance Account.* The Division may adopt regulations authorized by this section before, on or after July 1, 1999.
- 3. Except as otherwise provided in paragraph (c), all expenditures from the [Subaccount] *Emergency Assistance Account* must be approved in advance by the Division. Except as otherwise provided in subsection 4, all money in the [Subaccount] *Emergency Assistance Account* must be expended:
- (a) To provide supplemental emergency assistance to this state or to local governments in this state that are severely and adversely affected by a natural, technological or human-caused emergency or disaster for which available resources of this state or the local government are inadequate to provide a satisfactory remedy;
- (b) To pay any actual expenses incurred by the Division for administration during a natural, technological or human-caused emergency or disaster; and
 - (c) For any other purpose authorized by the Legislature.

- 4. Beginning with the fiscal year that begins on July 1, 1999, if any balance remains in the [Subaccount] Emergency Assistance Account at the end of a fiscal year and the balance has not otherwise been committed for expenditure, the Division may, with the approval of the Interim Finance Committee, allocate all or any portion of the remaining balance, not to exceed \$250,000, to this state or to a local government to:
 - (a) Purchase equipment or supplies required for emergency management;
 - (b) Provide training to personnel related to emergency management; and
 - (c) Carry out the provisions of NRS 392.600 to 392.656, inclusive.
- 5. Beginning with the fiscal year that begins on July 1, 1999, the Division shall, at the end of each quarter of a fiscal year, submit to the Interim Finance Committee a report of the expenditures made from the [Subaccount] Emergency Assistance Account for the previous quarter.
- 6. The Division shall adopt such regulations as are necessary to administer the [Subaccount.] Emergency Assistance Account.
- 7. The Division may adopt regulations to provide for reimbursement of expenditures made from the [Subaccount.] Emergency Assistance Account. If the Division requires such reimbursement, the Attorney General shall take such action as is necessary to recover the amount of any unpaid reimbursement plus interest at a rate determined pursuant to NRS 17.130, computed from the date on which the money was removed from the Disaster Relief Account, upon request by the Division.
 - **Sec. 21.** NRS 459.3824 is hereby amended to read as follows:
- 459.3824 1. The owner or operator of a facility shall pay to the Division an annual fee based on the fiscal year. The annual fee for each facility is the sum of a base fee set by the State Environmental Commission and any additional fee imposed by the Commission pursuant to subsection 2. The annual fee must be prorated and may not be refunded.
- 2. The State Environmental Commission may impose an additional fee upon the owner or operator of a facility in an amount determined by the Commission to be necessary to enable the Division to carry out its duties pursuant to NRS 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto. The additional fee must be based on a graduated schedule adopted by the Commission which takes into consideration the quantity of hazardous substances located at each facility.
- 3. After the payment of the initial annual fee, the Division shall send the owner or operator of a facility a bill in July for the annual fee for the fiscal year then beginning which is based on the applicable reports for the preceding year.
- 4. The State Environmental Commission may modify the amount of the annual fee required pursuant to this section and the timing for payment of the annual fee:
- (a) To include consideration of any fee paid to the Division for a permit to construct a new process or commence operation of a new process pursuant to NRS 459.3829; and

- (b) If any regulations adopted pursuant to NRS 459.380 to 459.3874, inclusive, require such a modification.
- 5. The owner or operator of a facility shall submit, with any payment required by this section, the business license number assigned by the Secretary of State upon compliance by the owner with the provisions of chapter 76 of NRS.
- 6. All fees, fines, penalties and other money collected pursuant to NRS 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto, other than a fine collected pursuant to subsection 3 of NRS 459.3834, must be deposited with the State Treasurer for credit to the [Fund] Account for Precaution Against Chemical Accidents, which is hereby created [as a special revenue fund.] in the State General Fund. All interest earned on the money in the [Fund.] Account.
 - Sec. 22. NRS 480.810 is hereby amended to read as follows:
- 480.810 1. The [Fund] Account for Reentry Programs is hereby created in the State [Treasury as a special revenue fund, to] General Fund. The Account must be administered by the Director or a designee of the Director.
- 2. The Director or designee may apply for and accept any gift, donation, bequest, grant or other source of money for the use of the [Fund.] Account.
- 3. All money received for the use of the [Fund] *Account* pursuant to subsection 2 or NRS 209.4889 or from any other source must be deposited [in] with the State [Treasury] *Treasurer* for credit to the [Fund.] *Account*.
- 4. All expenditures from the [Fund] Account must be approved by the Director or designee, in accordance with procedures established by regulation by the Director. The Director may designate an advisory group to assist in the preparation of such procedures. The money in the [Fund] Account may be expended only to pay necessary administrative costs and to pay for programs for reentry of persons into the community upon their release from incarceration, including, without limitation, judicial programs, training programs and programs for the treatment of addiction.
- 5. The interest and income earned on the money in the [Fund,] Account, after deducting any applicable charges, must be credited to the [Fund.] Account. All claims against the [Fund] Account must be paid as other claims against the State are paid.
- 6. To the extent money is available in the [Fund,] Account, the Director or designee may enter into one or more contracts with one or more public or private entities to provide services to persons participating in a program for reentry into the community upon their release from incarceration.
 - **Sec. 23.** NRS 534.360 is hereby amended to read as follows:
- 534.360 1. There is hereby created in the State [Treasury a fund to be] *General Fund an account* designated as the Water Rights Technical Support [Fund to] *Account. The Account must* be administered by the Board for Financing Water Projects.

- 2. The Water Rights Technical Support [Fund] Account is a continuing [fund] account without reversion. Money in the [Fund] Account must be invested as the money in other [funds] state accounts is invested. The interest and income earned on the money in the [Fund,] Account, after deducting any applicable charges, must be credited to the [Fund.] Account. Claims against the [Fund] Account must be paid as other claims against the State are paid.
- 3. The Board for Financing Water Projects may accept gifts, grants and donations from any source for deposit in the Water Rights Technical Support [Fund.] Account.
- 4. Except as otherwise provided in subsection 5, money in the Water Rights Technical Support [Fund] *Account* must be used by the Board for Financing Water Projects only to make grants to a local government to:
- (a) Obtain and provide expert and technical assistance to gather data to protect its existing water rights; or
 - (b) Fund projects to enhance or protect its existing water rights.
- 5. Any grant of money from the Water Rights Technical Support [Fund] Account must not be used by a local government to pay for any assistance or projects as set forth in subsection 4 if the only purpose of the assistance or project is to obtain evidence, including, without limitation, technical evidence and oral testimony or to pay for expert witnesses or attorney's fees for or in anticipation of any administrative or judicial proceeding, including, without limitation, hearings before the State Engineer or in any state or federal court.
 - Sec. 24. NRS 645F.270 is hereby amended to read as follows:
- 645F.270 1. The [Fund] Account for Mortgage Lending is hereby created in the State [Treasury as a special revenue fund.] General Fund.
- 2. Except as otherwise provided by law, any money collected by the Commissioner or Division pursuant to law:
 - (a) Must be deposited in the $\{Fund\}$ Account for Mortgage Lending; and
 - (b) May only be used to:
- (1) Carry out the programs and laws administered by the Commissioner and the Division; and
- (2) Pay the expenses related to the operations of the Commissioner and the Division.
- 3. Except as otherwise provided by law, any money that remains in the **[Fund]** *Account* for Mortgage Lending at the end of the fiscal year does not revert to the State General Fund, and the balance of the **[Fund]** *Account* for Mortgage Lending must be carried forward to the next fiscal year.
- 4. The Commissioner shall administer the [Fund] Account for Mortgage Lending. Any interest or income earned on the money in the [Fund] Account must be credited to the [Fund] Account after deducting any applicable charges. Any claims against the [Fund] Account must be paid as other claims against the State are paid.
 - **Sec. 25.** NRS 701.370 is hereby amended to read as follows:

- 701.370 1. The Trust [Fund] Account for Renewable Energy and Energy Conservation is hereby created in the State [Treasury.] General Fund.
- 2. The Authority shall administer the [Fund.] *Account.* As administrator of the [Fund.] *Account,* the Authority:
 - (a) Shall maintain the financial records of the [Fund;] Account;
- (b) Shall invest the money in the [Fund] Account as the money in other state [funds] accounts is invested;
- (c) Shall manage any [account] subaccount associated with the [Fund;] Account;
- (d) Shall maintain any instruments that evidence investments made with the money in the [Fund;] Account;
- (e) May contract with vendors for any good or service that is necessary to carry out the provisions of this section; and
- (f) May perform any other duties that are necessary to administer the Frund.] Account.
- 3. The interest and income earned on the money in the [Fund] Account must, after deducting any applicable charges, be credited to the [Fund.] Account. All claims against the [Fund] Account must be paid as other claims against the State are paid.
- 4. Not more than 2 percent of the money in the [Fund] Account may be used to pay the costs of administering the [Fund.] Account.
- 5. The money in the [Fund] *Account* remains in the [Fund] *Account* and does not revert to the State General Fund at the end of any fiscal year.
- 6. All money that is deposited or paid into the [Fund] Account may only be expended pursuant to an allocation made by the Authority. Money expended from the [Fund] Account must not be used to supplant existing methods of funding that are available to public agencies.
 - **Sec. 26.** NRS 701.575 is hereby amended to read as follows:
- 701.575 1. The [Fund] Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans is hereby created [-] in the State General Fund. The Director shall administer the [Fund.] Account.
- 2. The account to fund activities, other than projects, authorized by the American Recovery and Reinvestment Act, to be known as the Account for Set-Aside Programs, is hereby created in the Fund for the Municipal Bond Bank.
- 3. The money in the [Fund] Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans and the Account for Set-Aside Programs may be used only for the purposes set forth in the American Recovery and Reinvestment Act.
- 4. All claims against the [Fund] Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans and the Account for Set-Aside Programs must be paid as other claims against the State are paid.
- 5. The faith of the State is hereby pledged that the money in the Account [for the Revolving Fund] for Renewable Energy, Energy Efficiency and

Energy Conservation Loans and the Account for Set-Aside Programs will not be used for purposes other than those authorized by the American Recovery and Reinvestment Act.

- Sec. 27. NRS 706.1516 is hereby amended to read as follows:
- 706.1516 1. The Nevada Transportation Authority Regulatory [Fund] Account is hereby created [as a special revenue fund.] in the State General Fund. All money collected by the Authority pursuant to law must be deposited [in] with the State [Treasury] Treasurer for credit to the [Fund.] Account.
 - 2. Money in the **Fundle Account** may be used only to defray the costs of:
- (a) Maintaining staff and equipment needed to regulate adequately persons subject to the jurisdiction of the Authority.
- (b) Participating in all proceedings relevant to the jurisdiction of the Authority.
- (c) Audits, inspections, investigations, publication of notices, reports and retaining consultants connected with that maintenance and participation.
- (d) The salaries, travel expenses and subsistence allowances of the members of the Authority.
- 3. All claims against the **Fund** *Account* must be paid as other claims against the State are paid.
- 4. The Authority must furnish upon request a statement showing the balance remaining in the [Fund] Account as of the close of the preceding fiscal year.
- **Sec. 28.** 1. The State Controller shall, if necessary to carry out the provisions of this act, cause the transfer of any money between funds and accounts whose designations are changed by the provisions of this act.
- 2. All rights and liabilities of a fund or account whose designation is changed by the provisions of this act are not affected by the change in designation and remain the rights and liabilities of the fund or account as newly designated.
- **Sec. 29.** 1. The Legislative Counsel shall, in preparing supplements to the Nevada Administrative Code, appropriately change any reference to a fund or account whose designation has been changed pursuant to the provisions of this act.
- 2. Any reference in a bill or resolution passed by the 76th Session of the Nevada Legislature to a fund or account whose designation is changed pursuant to the provisions of this act shall be deemed to refer to the fund or account by its changed designation.
- **Sec. 30.** 1. This section and sections 1 to 17, inclusive, and sections 19 to 29, inclusive, of this act become effective upon passage and approval.
 - 2. Section 18 of this act becomes effective on July 1, 2011.

Senator Settelmeyer moved the adoption of the amendment. Remarks by Senator Settelmeyer.

Senator Settelmever requested that his remarks be entered in the Journal.

Amendment No. 71 to Senate Bill No. 74 deletes Section 7 of the bill that would have changed the designation of the Legislative Fund. This was viewed as a friendly amendment that serves to maintain the separation between the Legislative and Executive branches of government relating to the Legislative Fund.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 77.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 17.

"SUMMARY—Revises provisions relating to notaries public. (BDR 19-404)"

"AN ACT relating to notaries public; subjecting a person to punishment for a category C felony if the person **knowingly** submits an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact; revising provisions relating to the requirements for appointment as a notary public, storage of the stamp and journal of a notary public, **documentation of notarial acts.** and liability and penalties for certain misconduct and violations of law by a notary public or an employer of a notary public; prohibiting a notary public from performing a notarial act on certain documents or from making or noting a protest of a negotiable instrument under certain circumstances; authorizing the Secretary of State to impose a civil penalty for certain violations; providing a penalty; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Notaries public are appointed by and subject to the authority of the Secretary of State pursuant to the provisions of chapter 240 of NRS. Section 1 of this bill makes it a category C felony for a person applying for appointment as a notary public to knowingly submit an application that contains a substantial and material misstatement or omission of fact. Section 2 of this bill requires, if required by the Secretary of State, a person applying for appointment as a notary public to submit with the application a complete set of his or her fingerprints and a fee. Sections 3 and 5 of this bill require a notary public to keep his or her stamp and journal in a secure [and locked] location when not using the stamp or journal. Section 5 also revises provisions relating to the documentation of notarial acts performed: (1) at the same time and for the same person; or (2) for a person for whom a notary public has performed a notarial act within the previous 6 months. Section 4 of this bill prohibits a notary public from performing a notarial act on a document that is not completely filled out and signed and prohibits the notary public from making or noting a protest of a negotiable instrument under certain circumstances. Section 6 of this bill amends provisions relating to penalties for violations of law by notaries public and employers of notaries public.

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

Section 1. NRS 240.010 is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

- 2. The Secretary of State shall not appoint as a notary public a person:
- (a) Who submits an application containing a substantial and material misstatement or omission of fact.
- (b) Whose previous appointment as a notary public in this State has been revoked
- (c) Who, except as otherwise provided in subsection 3, has been convicted of:
 - (1) A crime involving moral turpitude; or
- (2) Burglary, conversion, embezzlement, extortion, forgery, fraud, identity theft, larceny, obtaining money under false pretenses, robbery or any other crime involving misappropriation of the identity or property of another person or entity,
- → if the Secretary of State is aware of such a conviction before the Secretary of State makes the appointment.
- (d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.
- (e) Who has not submitted to the Secretary of State proof satisfactory to the Secretary of State that the person has enrolled in and successfully completed a course of study provided pursuant to NRS 240.018.
- 3. A person who has been convicted of a crime involving moral turpitude may apply for appointment as a notary public if the person provides proof satisfactory to the Secretary of State that:
- (a) More than 10 years have elapsed since the date of the person's release from confinement or the expiration of the period of his or her parole, probation or sentence, whichever is later;
- (b) The person has made complete restitution for his or her crime involving moral turpitude, if applicable;
 - (c) The person possesses his or her civil rights; and
- (d) The crime for which the person was convicted is not one of the crimes enumerated in subparagraph (2) of paragraph (c) of subsection 2.
- 4. A notary public may cancel his or her appointment by submitting a written notice to the Secretary of State.
 - 5. It is unlawful for a person to:
- (a) Represent himself or herself as a notary public appointed pursuant to this section if the person has not received a certificate of appointment from the Secretary of State pursuant to this chapter.
- (b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

- 6. The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 5.
- 7. A person who <u>knowingly</u> violates the provisions of paragraph (b) of subsection 5 is guilty of a category C felony and shall be punished as provided in NRS 193.130.
 - **Sec. 2.** NRS 240.030 is hereby amended to read as follows:
- 240.030 1. Each person applying for appointment as a notary public must:
- (a) At the time the applicant submits his or her application, pay to the Secretary of State \$35.
- (b) Take and subscribe to the oath set forth in Section 2 of Article 15 of the Constitution of the State of Nevada as if the applicant were a public officer.
- (c) Submit to the Secretary of State proof satisfactory to the Secretary of State that the applicant has enrolled in and successfully completed a course of study provided pursuant to NRS 240.018.
- (d) Enter into a bond to the State of Nevada in the sum of \$10,000, to be filed with the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. The applicant must submit to the Secretary of State a certificate issued by the appropriate county clerk which indicates that the applicant filed the bond required pursuant to this paragraph.
 - (e) If required by the Secretary of State, submit:
- (1) A complete set of the fingerprints of the applicant and written permission authorizing the Secretary of State 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; and
- (2) A fee established by regulation of the Secretary of State which must not exceed the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.
- 2. In addition to the requirements set forth in subsection 1, an applicant for appointment as a notary public who resides in an adjoining state must submit to the Secretary of State with the application:
- (a) An affidavit setting forth the adjoining state in which the applicant resides, the applicant's mailing address and the address of the applicant's place of business or employment that is located within the State of Nevada;
- (b) A copy of the applicant's state business license issued pursuant to chapter 76 of NRS and any business license required by the local government where the business is located, if the applicant is self-employed; and
- (c) Unless the applicant is self-employed, a copy of the state business license of the applicant's employer, a copy of any business license of the applicant's employer that is required by the local government where the business is located and an affidavit from the applicant's employer setting

forth the facts which show that the employer regularly employs the applicant at an office, business or facility which is located within the State of Nevada.

- 3. In completing an application, bond, oath or other document necessary to apply for appointment as a notary public, an applicant must not be required to disclose his or her residential address or telephone number on any such document which will become available to the public.
- 4. The bond, together with the oath, must be filed and recorded in the office of the county clerk of the county in which the applicant resides when the applicant applies for the appointment or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. On a form provided by the Secretary of State, the county clerk shall immediately certify to the Secretary of State that the required bond and oath have been filed and recorded. Upon receipt of the application, fee and certification that the required bond and oath have been filed and recorded, the Secretary of State shall issue a certificate of appointment as a notary public to the applicant.
- 5. The term of a notary public commences on the effective date of the bond required pursuant to paragraph (d) of subsection 1. A notary public shall not perform a notarial act after the effective date of the bond unless the notary public has been issued a certificate of appointment.
- 6. Except as otherwise provided in this subsection, the Secretary of State shall charge a fee of \$10 for each duplicate or amended certificate of appointment which is issued to a notary. If the notary public does not receive an original certificate of appointment, the Secretary of State shall provide a duplicate certificate of appointment without charge if the notary public requests such a duplicate within 60 days after the date on which the original certificate was issued.
 - **Sec. 3.** NRS 240.040 is hereby amended to read as follows:
- 240.040 1. The statement required by paragraph (d) of subsection 1 of NRS 240.1655 must:
- (a) Be imprinted in indelible, photographically reproducible ink with a rubber or other mechanical stamp; and
 - (b) Set forth:
 - (1) The name of the notary public;
 - (2) The phrase "Notary Public, State of Nevada";
 - (3) The date on which the appointment of the notary public expires;
 - (4) The number of the certificate of appointment of the notary public;
- (5) If the notary public so desires, the Great Seal of the State of Nevada; and
- (6) If the notary public is a resident of an adjoining state, the word "nonresident."
- 2. After July 1, 1965, an embossed notarial seal is not required on notarized documents.
 - 3. The stamp required pursuant to subsection 1 must:

- (a) Be a rectangle, not larger than 1 inch by 2 1/2 inches, and may contain a border design; and
 - (b) Produce a legible imprint.
 - 4. A notary public shall not affix his or her stamp over printed material.
- 5. A notary public shall keep his or her stamp in a secure [and locked] location during any period in which the notary public is not using the stamp to perform a notarial act.
- **6.** As used in this section, "mechanical stamp" includes an imprint made by a computer or other similar technology.
 - **Sec. 4.** NRS 240.075 is hereby amended to read as follows:
 - 240.075 A notary public shall not:
- 1. Influence a person to enter or not enter into a lawful transaction involving a notarial act performed by the notary public.
- 2. Certify an instrument containing a statement known by the notary public to be false.
- 3. Perform any act as a notary public with intent to deceive or defraud, including, without limitation, altering the journal that the notary public is required to keep pursuant to NRS 240.120.
- 4. Endorse or promote any product, service or offering if his or her appointment as a notary public is used in the endorsement or promotional statement.
- 5. Certify photocopies of a certificate of birth, death or marriage or a divorce decree.
 - 6. Allow any other person to use his or her notary's stamp.
- 7. Allow any other person to sign the notary's name in a notarial capacity.
 - 8. Perform a notarial act on a document that contains only a signature.
- 9. Perform a notarial act on a document, including a form that requires the signer to provide information within blank spaces, unless the document has been filled out completely and has been signed.
- 10. Make or note a protest of a negotiable instrument unless the notary public is employed by a depository institution and the protest is made or noted within the scope of that employment. As used in this subsection, "depository institution" has the meaning ascribed to it in NRS 657.037.
 - **Sec. 5.** NRS 240.120 is hereby amended to read as follows:
- 240.120 1. [Each] Except as otherwise provided in subsection 2, each notary public shall keep a journal in his or her office in which the notary public shall enter for each notarial act performed, at the time the act is performed:
 - (a) The fees charged, if any;
 - (b) The title of the document;
 - (c) The date on which the notary public performed the service;
- (d) [The] Except as otherwise provided in subsection 3, the name and signature of the person whose signature is being notarized;

- (e) [A] <u>Subject to the provisions of subsection 4, a</u> description of the evidence used by the notary public to verify the identification of the person whose signature is being notarized;
 - (f) An indication of whether the notary public administered an oath; and
- (g) The type of certificate used to evidence the notarial act, as required pursuant to NRS 240.1655.
- 2. <u>A notary public may make one entry in the journal which documents</u> more than one notarial act if the notarial acts documented are performed:
 - (a) For the same person and at the same time; and
 - (b) On one document or on similar documents.
- 3. When taking an acknowledgment for a person, a notary public need not require the person to sign the journal if the notary public has performed a notarial act for the person within the previous 6 months and the notary public has personal knowledge of the identity of the person.
- 4. If, pursuant to subsection 3, a notary public does not require a person to sign the journal, the notary public shall enter "known personally" as the description required to be entered into the journal pursuant to paragraph (e) of subsection 1.
- <u>5.</u> If the notary verifies the identification of the person whose signature is being notarized on the basis of a credible witness, the notary public shall:
- (a) Require the witness to sign the journal in the space provided for the description of the evidence used; and
 - (b) Make a notation in the journal that the witness is a credible witness.
 - [3.] <u>6.</u> The journal must:
 - (a) Be open to public inspection.
 - (b) Be in a bound volume with preprinted page numbers.
- [4.] 7. A notary public shall, upon request and payment of the fee set forth in NRS 240.100, provide a certified copy of an entry in his or her journal.
- [5.] 8. A notary public shall keep his or her journal in a secure fand locked] location during any period in which the notary public is not making an entry or notation in the journal pursuant to this section.
- [6.] <u>9.</u> A notary public shall retain each journal that the notary public has kept pursuant to this section until 7 years after the date on which he or she ceases to be a notary public.
- [6.] [7.] 10. A notary public shall file a report with the Secretary of State and the appropriate law enforcement agency if the journal of the notary public is lost or stolen.
- [7.] [8.] 11. The provisions of this section do not apply to a person who is authorized to perform a notarial act pursuant to paragraph (b), (c) or (d) of subsection 1 of NRS 240.1635.
 - **Sec. 6.** NRS 240.150 is hereby amended to read as follows:
- 240.150 1. For misconduct or neglect in a case in which a notary public appointed pursuant to the authority of this State may act, either by the law of this State or of another state, territory or country, or by the law of nations, or

by commercial usage, the notary public is liable on his or her official bond to the parties injured thereby, for all the damages sustained.

- 2. The employer of a notary public may be assessed a civil penalty by the Secretary of State of not more than \$2,000 for each violation specified in subsection 4 committed by the notary public, and the employer is liable for any damages proximately caused by the misconduct of the notary public, if:
- (a) The notary public was acting within the scope of his or her employment at the time the notary public engaged in the misconduct; and
- (b) The employer of the notary public consented to the misconduct of the notary public.
- 3. The Secretary of State may refuse to appoint or may suspend or revoke the appointment of a notary public who fails to provide to the Secretary of State, within a reasonable time, information that the Secretary of State requests from the notary public in connection with a complaint which alleges a violation of this chapter.
- 4. Except as otherwise provided in this chapter, for any willful violation or neglect of duty or other violation of this chapter, or upon proof that [the] *a* notary public has been convicted of a crime [involving moral turpitude:
- (a) A notary public or other person who violates a provision of this chapter may be fined not more than \$2000 for each violation;
 - (b) described in paragraph (c) of subsection 2 of NRS 240.010:
- (a) The appointment of the notary public may be suspended for a period determined by the Secretary of State, but not exceeding the time remaining on the appointment;
 - $\{(e)\}\$ (b) The appointment of the notary public may be revoked $\{: or$
 - (d) after a hearing; or
 - (c) The notary public may be [fined and his or her appointment may be:
 - (1) Revoked; or
- (2) Suspended for a period determined by the Secretary of State.] assessed a civil penalty of not more than \$2,000 for each violation.
- 5. If the Secretary of State revokes or suspends the appointment of a notary public pursuant to this section, the Secretary of State shall:
 - (a) Notify the notary public in writing of the revocation or suspension; and
- (b) Cause notice of the revocation or suspension to be published [in a newspaper of general circulation in the county in which the notary public resides or works.] on the website of the Secretary of State.
- 6. Except as otherwise provided by law, the Secretary of State may [impose the fine] assess the civil penalty that is authorized pursuant to this section upon a notary public whose appointment has expired if the notary public committed the violation that justifies the [fine] civil penalty before his or her appointment expired.
- 7. The appointment of a notary public may be suspended or revoked by the Secretary of State pending a hearing if the Secretary of State believes it is in the public interest or is necessary to protect the public.

- Sec. 6.5. NRS 240.201 is hereby amended to read as follows:
- 240.201 1. An electronic notary public shall keep a journal of each electronic notarial act which includes, without limitation, the requirements of subsections 1 and $\frac{121}{5}$ of NRS 240.120.
- 2. The Secretary of State may suspend the appointment of an electronic notary public who fails to produce any journal entry within 10 days after receipt of a request from the Secretary of State.
- 3. Upon resignation, revocation or expiration of an appointment as an electronic notary public, all notarial records required pursuant to NRS 240.001 to 240.206, inclusive, must be delivered to the Secretary of State.
- **Sec. 7.** This act becomes effective upon passage and approval for the purpose of adopting regulations by the Secretary of State pursuant to the amendatory provisions of section 2 of this act and on January 1, 2012, for all other purposes.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senators Settelmeyer and Denis.

Senator Settelmeyer requested that the following remarks be entered in the Journal.

SENATOR SETTELMEYER:

Amendment No. 17 to Senate Bill No. 77 clarifies that the violations resulting in the penalty set forth in the bill must be "knowingly" committed and clarifies that the notary stamp and the notary journal be kept in a secure location. It also adds language providing for the notarization of documents performed at the same time and for the same person, or for a person for whom a notary public has performed a notarial act within the previous six months.

SENATOR DENIS:

Does this include a notary who tries to act like a lawyer?

SENATOR SETTELMEYER:

To my knowledge, the concept of an individual trying to be a paralegal, I believe it only applies to individuals who have a notary license. I do not know if a particular paralegal has a notary license. This applies only to individuals who are licensed notaries within the State of Nevada. The Chair of the Committee could follow up if necessary.

SENATOR DENIS:

I am not certain that answers my question, but I will talk to the Chair before we vote on this. I want to be clear because, I have worked in the past with some individuals who were notaries, who were trying to do legal things. I will follow up.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 82.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 18.

"SUMMARY—Makes various changes relating to governmental information systems. (BDR 19-267)"

"AN ACT relating to governmental administration; requiring the Chief of the Office of Information Security of the Department of Information Technology to investigate and resolve certain matters relating to security breaches of information systems of certain state agencies and elected officers; authorizing the Director of the Department or the Chief of the Office of Information Security to inform members of certain governmental entities of such security breaches; finereasing amending the membership and increasing certain terms of office of the Information Technology Advisory Board; revising the authority of the Department to provide services and equipment to local governmental agencies; requiring certain agencies and officers that use the equipment and information services of the Department to report certain incidents to the [Chief of the] Office of Information Security; making various other changes relating to governmental information systems; **[authorizing]** requiring the Chief of the Purchasing Division of the Department of Administration and local governments to publish certain advertisements for bids or proposals on [the] their respective Internet Iwebsite of the Purchasing Division: websites; authorizing the Chief to purchase and acquire services from a vendor who has entered into an agreement with the General Services Administration; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 4 of this bill requires the Chief of the Office of Information Security of the Department of Information Technology to investigate and resolve any security breach or unauthorized acquisition of computerized data that materially compromises the security, confidentiality or integrity of an information system of a state agency or elected officer that uses the equipment or services of the Department. **Section 4** also authorizes the Director to inform the members of certain boards and commissions of such security breaches and unauthorized acquisitions.

Section 12 of this bill adds the Attorney General or his or her designee <u>to</u> and <u>removes</u> the <u>{State Library and Archives Administrator}</u> <u>Superintendent of Public Instruction</u> or his or her designee <u>{to} from</u> the membership of the Information Technology Advisory Board. Section 12 also increases from one person to three persons the number of members who are appointed to the Board by the Governor as representatives of a city or county in this State and increases from 2 to 4 years the term of the members of the Board who are appointed by the Governor.

Under existing law, the Department is authorized to provide services to counties, cities and towns, and their agencies, if there are sufficient resources available. (NRS 242.141) **Section 13** of this bill authorizes the Department to provide services to those local governmental agencies if the provision of services would result in reduced costs to the State for equipment and services.

Under existing law, the Department is responsible for the information systems of state agencies and elected state officers that are required to use its services and equipment. (NRS 242.171) **Section 14** of this bill adds certain testing and monitoring of information systems to the duties of the Department.

Under existing law, all users of equipment or services of the Department are required to comply with certain regulations. (NRS 242.181) **Section 15** of this bill requires such users to report <u>security-related</u> noncompliance and unauthorized access to their information systems or applications of their information systems to the <u>[Chief of the]</u> Office of Information Security of the Department within <u>[12] 24</u> hours after discovery.

Existing law requires the Chief of the Purchasing Division of the Department of Administration to publish advertisements for bids or proposals for commodities or services in at least one newspaper of general circulation in the State. (NRS 333.310) Section [19] 20 of this bill [authorizes] requires the Chief to publish the advertisement on the Internet website of the Purchasing Division [1, rather than] and in [the] a newspaper.

Section [20] 21 of this bill authorizes the Chief of the Purchasing Division to purchase and acquire services from a vendor who has entered into an agreement with the General Services Administration.

Under existing law, local governments are required to publish advertisements for bids or proposals for purchasing and public works in a newspaper. (NRS 332.045, 338.1378, 338.1385, 338.143, 338.1692, 338.1723, 338.1907 and 496.090) Sections 19 and 22-28 of this bill require a local government to publish such advertisements on the Internet website of the local government, if the local government maintains an Internet website, in addition to publishing such advertisements in a newspaper.

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

- **Section 1.** Chapter 242 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4, of this act.
- Sec. 2. "Local governmental agency" means any branch, agency, bureau, board, commission, department or division of a county, incorporated city or town in this State.
- Sec. 3. "Security validation" means a process or processes used to ensure that an information system or a network associated with an information system is resistant to any known threat.
- Sec. 4. 1. The Chief of the Office of Information Security shall investigate and resolve any breach of an information system of a state agency or elected officer that uses the equipment or services of the Department or an application of such an information system or unauthorized acquisition of computerized data that materially compromises the security, confidentiality or integrity of such an information system.

- 2. The Director or Chief of the Office of Information Security, at his or her discretion, may inform members of the Technological Crime Advisory Board created by NRS 205A.040, the Nevada Commission on Homeland Security created by NRS 239C.120 and the Information Technology Advisory Board created by NRS 242.122 of any breach of an information system of a state agency or elected officer or application of such an information system or unauthorized acquisition of computerized data that materially compromises the security, confidentiality or integrity of such an information system.
 - **Sec. 5.** NRS 242.011 is hereby amended to read as follows:
- 242.011 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 242.015 to 242.068, inclusive, *and sections 2 and 3 of this act* have the meanings ascribed to them in those sections.
 - **Sec. 6.** NRS 242.055 is hereby amended to read as follows:
- 242.055 "Information service" means any service relating to the creation, maintenance, operation, *security validation*, *testing*, *continuous monitoring* or use of an information system.
 - **Sec. 7.** NRS 242.057 is hereby amended to read as follows:
- 242.057 "Information system" means any communications or computer equipment, computer software, procedures, personnel or technology used to collect, process, distribute or store information. [within the Executive Branch of State Government.]
 - **Sec. 8.** NRS 242.059 is hereby amended to read as follows:
- 242.059 "Information technology" means any information, information system or information service acquired, developed, operated, maintained or otherwise used. [within the Executive Branch of State Government.]
 - **Sec. 9.** NRS 242.071 is hereby amended to read as follows:
- 242.071 1. The Legislature hereby determines and declares that the creation of the Department of Information Technology is necessary for the coordinated, orderly and economical processing of information in State Government, to ensure economical use of information systems and to prevent the unnecessary proliferation of equipment and personnel among the various state agencies.
 - 2. The purposes of the Department are:
 - (a) To perform information services for state agencies.
- (b) To provide technical advice but not administrative control of the information systems within the state agencies [, county agencies and governing bodies and agencies of incorporated cities and towns.] and, as authorized, of local governmental agencies.
 - **Sec. 10.** NRS 242.101 is hereby amended to read as follows:
 - 242.101 1. The Director shall:
- (a) Appoint the chiefs of the [divisions] Programming Division and the Communication and Computing Division of the Department who are in the unclassified service of the State;

- (b) Appoint the Chief of the Office of Information Security who is in the classified service of the State;
- (c) Administer the provisions of this chapter and other provisions of law relating to the duties of the Department; and
- **((c))** (d) Carry out other duties and exercise other powers specified by law.
- 2. The Director may form committees to establish standards and determine criteria for evaluation of policies relating to informational services.
- **Sec. 11.** NRS 242.105 is hereby amended to read as follows:
- 242.105 1. Except as otherwise provided in subsection 3, records and portions of records that are assembled, maintained, overseen or prepared by the Department *or a local governmental agency* to mitigate, prevent or respond to acts of terrorism, *or to maintain the continuity of government and governmental services in the case of an act of terrorism*, the public disclosure of which would, in the determination of the Director, create a substantial likelihood of threatening the safety of the general public are confidential and not subject to inspection by the general public to the extent that such records and portions of records consist of or include:
- (a) Information regarding the infrastructure and security of information systems, including, without limitation:
- (1) Access codes, passwords and programs used to ensure the security of an information system;
 - (2) Access codes used to ensure the security of software applications;
- (3) Procedures and processes used to ensure the security of an information system; and
- (4) Plans used to reestablish security and service with respect to an information system after security has been breached or service has been interrupted.
- (b) Assessments and plans that relate specifically and uniquely to the vulnerability of *such* an information system or to the measures which will be taken to respond to such vulnerability, including, without limitation, any compiled underlying data necessary to prepare such assessments and plans.
- (c) The results of tests of the security of **such** an information system, insofar as those results reveal specific vulnerabilities relative to the information system.
- 2. The Director shall maintain or cause to be maintained a list of each record or portion of a record that the Director has determined to be confidential pursuant to subsection 1. The list described in this subsection must be prepared and maintained so as to recognize the existence of each such record or portion of a record without revealing the contents thereof.
- 3. At least once each biennium, the Director shall review the list described in subsection 2 and shall, with respect to each record or portion of a record that the Director has determined to be confidential pursuant to subsection 1:

- (a) Determine that the record or portion of a record remains confidential in accordance with the criteria set forth in subsection 1;
- (b) Determine that the record or portion of a record is no longer confidential in accordance with the criteria set forth in subsection 1; or
- (c) If the Director determines that the record or portion of a record is obsolete, cause the record or portion of a record to be disposed of in the manner described in NRS 239.073 to 239.125, inclusive.
 - 4. On or before February 15 of each year, the Director shall:
- (a) Prepare a report setting forth a detailed description of each record or portion of a record determined to be confidential pursuant to this section, if any, accompanied by an explanation of why each such record or portion of a record was determined to be confidential; and
- (b) Submit a copy of the report to the Director of the Legislative Counsel Bureau for transmittal to:
- (1) If the Legislature is in session, the standing committees of the Legislature which have jurisdiction of the subject matter; or
 - (2) If the Legislature is not in session, the Legislative Commission.
- 5. As used in this section, "act of terrorism" has the meaning ascribed to it in NRS 239C.030.
 - **Sec. 12.** NRS 242.122 is hereby amended to read as follows:
- 242.122 1. There is hereby created an Information Technology Advisory Board. The Board consists of:
- (a) One member appointed by the Majority Floor Leader of the Senate from the membership of the Senate Standing Committee on Finance . [during the immediately preceding session of the Legislature.]
- (b) One member appointed by the Speaker of the Assembly from the membership of the Assembly Standing Committee on Ways and Means . <u>Iduring the immediately preceding session of the Legislature.</u>
- (c) Two representatives of using agencies which are major users of the services of the Department. The Governor shall appoint the two representatives. Each such representative serves for a term of [2] 4 years. For the purposes of this paragraph, an agency is a "major user" if it is among the top five users of the services of the Department, based on the amount of money paid by each agency for the services of the Department during the immediately preceding biennium.
- (d) The Director of the Department of Administration or his or her designee.
- (e) [The Superintendent of Public Instruction of the Department of Education or his or her designee.
 - (1) [Three] The Attorney General or his or her designee.
 - f(g) The State Library and Archives Administrator or his or her designee.
- (h) five persons appointed by the Governor fin July of each odd numbered year] as follows:

- (1) [One person] Three persons who [represents] represent a city or county in this State [;], at least one of whom is engaged in the information technology or information security; and
- (2) Two persons who represent the information technology industry but who:
 - (I) Are not employed by this State;
 - (II) Do not hold any elected or appointed office in State Government;
- (III) Do not have an existing contract or other agreement to provide information services, systems or technology to an agency of this State; and
- (IV) Are independent of and have no direct or indirect pecuniary interest in a corporation, association, partnership or other business organization which provides information services, systems or technology to an agency of this State.
- 2. Each person appointed pursuant to paragraph (\underline{f}) (\underline{f}) of subsection 1 serves for a term of (\underline{f}) 4 years. No person so appointed may serve more than 2 consecutive terms.
- 3. At the first regular meeting of each calendar year, the members of the Board shall elect a Chair by majority vote.
 - **Sec. 13.** NRS 242.141 is hereby amended to read as follows:
- 242.141 To facilitate the economical processing of data throughout the State Government, the Department may provide service for agencies not under the control of the Governor, upon the request of any such agency. [If there are sufficient resources available to the Department, it] The Department may provide services, including, without limitation, purchasing services, to [counties, eities and towns and to their agencies.] a local governmental agency upon request, if provision of such services will result in reduced costs to the State for equipment and services.
 - **Sec. 14.** NRS 242.171 is hereby amended to read as follows:
 - 242.171 1. The Department is responsible for:
 - (a) The applications of information systems;
 - (b) Designing and placing those *information* systems in operation;
- (c) Any application of an information system which it furnishes to state agencies and officers after negotiation; and
- (d) The [writing,] security validation, testing, including, without limitation, penetration testing, and [performance of programs,] continuous monitoring of information systems,
- → for [the state] using agencies and [elected state officers which are required to use its services.] for state agencies and officers which use the equipment or services of the Department pursuant to subsection 2 of NRS 242.131.
- 2. The Director shall review and approve or disapprove, pursuant to standards for justifying cost, any application of an information system having an estimated developmental cost of \$50,000 or more. No using agency may commence development work on any such applications until approval and authorization have been obtained from the Director.

- 3. As used in this section, "penetration testing" means a method of evaluating the security of an information system or application of an information system by simulating unauthorized access to the information system or application.
 - **Sec. 15.** NRS 242.181 is hereby amended to read as follows:
- 242.181 1. Any state agency or elected state officer which uses the equipment or services of the Department shall adhere to the regulations, standards, practices, policies and conventions of the Department.
- 2. Each state agency or elected state officer described in subsection 1 shall report any suspected incident of:
- (a) Unauthorized access to an information system or application of an information system of the Department used by the state agency or elected state officer; and
- (b) Noncompliance with the regulations, standards, practices, policies and conventions of the Department first that is identified by the Department as security-related,
- → to the [Chief of the] Office of Information Security of the Department within [12] <u>24</u> hours after discovery of the suspected incident. If the [Chief] <u>Office</u> determines that an incident of unauthorized access or noncompliance occurred, the [Chief] <u>Office</u> shall immediately report the incident to the Director. The Director shall assist [the Chief in investigating and resolving] in the investigation and resolution of any such incident.
- 3. The Department shall provide services to each *state* agency *and elected state officer described in subsection 1* uniformly with respect to degree of service, priority of service, availability of service and cost of service.
 - **Sec. 16.** NRS 242.191 is hereby amended to read as follows:
- 242.191 1. Except as otherwise provided in subsection 3, the amount receivable from [an] a state agency or officer or local governmental agency [availing itself of] which uses the services of the Department must be determined by the Director in each case and include:
- (a) The annual expense, including depreciation, of operating and maintaining the Communication and Computing Division, distributed among the agencies in proportion to the services performed for each agency.
- (b) A service charge in an amount determined by distributing the monthly installment for the construction costs of the computer facility among the agencies in proportion to the services performed for each agency.
- 2. The Director shall prepare and submit monthly to the *state agencies* and officers and local governmental agencies for which services of the Department have been performed an itemized statement of the amount receivable from each state agency or officer or local governmental agency.
- 3. The Director may authorize, if in his or her judgment the circumstances warrant, a fixed cost billing, including a factor for depreciation, for services rendered to [an] a state agency or officer or local governmental agency.

- **Sec. 17.** NRS 242.231 is hereby amended to read as follows:
- 242.231 Upon the receipt of a statement submitted pursuant to subsection 2 of NRS 242.191, each *state* agency *or officer* shall authorize the State Controller by transfer or warrant to draw money from the agency's account in the amount of the statement for transfer to or placement in the Fund for Information Services.
 - **Sec. 18.** NRS 205.4765 is hereby amended to read as follows:
- 205.4765 1. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:
 - (a) Modifies;
 - (b) Damages;
 - (c) Destroys;
 - (d) Discloses;
 - (e) Uses;
 - (f) Transfers;
 - (g) Conceals;
 - (h) Takes;
 - (i) Retains possession of;
 - (j) Copies;
- (k) Obtains or attempts to obtain access to, permits access to or causes to be accessed; or
 - (1) Enters,
- → data, a program or any supporting documents which exist inside or outside a computer, system or network is guilty of a misdemeanor.
- 2. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:
 - (a) Modifies;
 - (b) Destroys;
 - (c) Uses;
 - (d) Takes;
 - (e) Damages;
- (f) Transfers;
- (g) Conceals;
- (h) Copies;
- (i) Retains possession of; or
- (j) Obtains or attempts to obtain access to, permits access to or causes to be accessed,
- ⇒ equipment or supplies that are used or intended to be used in a computer, system or network is guilty of a misdemeanor.
- 3. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:
 - (a) Destroys;
 - (b) Damages;
 - (c) Takes;
 - (d) Alters;

- (e) Transfers;
- (f) Discloses;
- (g) Conceals;
- (h) Copies;
- (i) Uses;
- (j) Retains possession of; or
- (k) Obtains or attempts to obtain access to, permits access to or causes to be accessed.
- → a computer, system or network is guilty of a misdemeanor.
- 4. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:
 - (a) Obtains and discloses;
 - (b) Publishes;
 - (c) Transfers; or
 - (d) Uses,
- → a device used to access a computer, network or data is guilty of a misdemeanor.
- 5. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization introduces, causes to be introduced or attempts to introduce a computer contaminant into a computer, system or network is guilty of a misdemeanor.
 - 6. If the violation of any provision of this section:
- (a) Was committed to devise or execute a scheme to defraud or illegally obtain property;
- (b) Caused response costs, loss, injury or other damage in excess of \$500; or
- (c) Caused an interruption or impairment of a public service, including, without limitation, a governmental operation, a system of public communication or transportation or a supply of water, gas or electricity,
- → the person is guilty of a category C felony and shall be punished as provided in NRS 193.130, and may be further punished by a fine of not more than \$100,000. In addition to any other penalty, the court shall order the person to pay restitution.
- 7. The provisions of this section do not apply to a person performing any testing, including, without limitation, penetration testing, of an information system of an agency that uses the equipment or services of the Department of Information Technology that is authorized by the Director of the Department of Information Technology or the chief of the Office of Information Security of the Department. As used in this subsection:
- (a) "Information system" has the meaning ascribed to it in NRS 242.057.
- (b) "Penetration testing" has the meaning ascribed to it in NRS 242.171.
 - Sec. 19. NRS 332.045 is hereby amended to read as follows:

- 332.045 1. The advertisement required by paragraph (a) of subsection 1 of NRS 332.039 must [be published at least once and not less than 7 days before the opening of bids. The advertisement must] be by notice to bid and must be published [in]:
- (a) In a newspaper qualified pursuant to chapter 238 of NRS that has a general circulation within the county wherein the local government, or a major portion thereof, is situated [1] at least once and not less than 7 days before the opening of bids; and
- (b) On the Internet website of the local government, if the local government maintains an Internet website, every day for not less than 7 days before the opening of bids.
 - 2. The notice must state:
 - (a) The nature, character or object of the contract.
- (b) If plans and specifications are to constitute part of the contract, where the plans and specifications may be seen.
 - (c) The time and place where bids will be received and opened.
 - (d) Such other matters as may properly pertain to giving notice to bid.
- [Sec. 19.] Sec. 20. NRS 333.310 is hereby amended to read as follows:
- 333.310 1. An advertisement must contain a general description of the classes of commodities or services for which a bid or proposal is wanted and must state:
- (a) The name and location of the department, agency, local government, district or institution for which the purchase is to be made.
 - (b) Where and how specifications and quotation forms may be obtained.
- (c) If the advertisement is for bids, whether the Chief is authorized by the using agency to be supplied to consider a bid for an article that is an alternative to the article listed in the original request for bids if:
- (1) The specifications of the alternative article meet or exceed the specifications of the article listed in the original request for bids;
 - (2) The purchase of the alternative article results in a lower price; and
- (3) The Chief deems the purchase of the alternative article to be in the best interests of the State of Nevada.
 - (d) Notice of the preference set forth in NRS 333.3366.
- (e) The date and time not later than which responses must be received by the Purchasing Division.
 - (f) The date and time when responses will be opened.
- → The Chief or a designated agent of the Chief shall approve the copy for the advertisement.
- 2. Each advertisement must be published {in one of the following ways:}
- (a) In at least one newspaper of general circulation in the State. The selection of the newspaper to carry the advertisement must be made in the manner provided by this chapter for other purchases, on the basis of the lowest price to be secured in relation to the paid circulation : and

(b) On the Internet website of the Purchasing Division.

[Sec. 20.] Sec. 21. NRS 333.480 is hereby amended to read as follows:

- 333.480 The Chief may purchase or acquire on behalf of the State of Nevada, and all officers, departments, institutions, boards, commissions, schools and other agencies in the Executive Department of the State Government, volunteer fire departments, local governments as defined in NRS 354.474, conservation districts or irrigation districts of the State of Nevada, any supplies, *services*, materials or equipment of any kind required or deemed advisable for the state officers, departments, institutions, boards, commissions, schools, volunteer fire departments and other agencies or local governments as defined in NRS 354.474, conservation districts or irrigation districts that may be available pursuant to an agreement with a vendor who has entered into an agreement with the General Services Administration or another governmental agency dealing in supplies, *services*, materials, equipment or donable surplus material if:
- 1. The prices for the supplies, *services*, materials or equipment negotiated in the agreement that the Chief enters into with the vendor are substantially similar to the prices for those supplies, *services*, materials or equipment that the vendor had negotiated with the General Services Administration or other governmental agency; and
- 2. The Chief determines that such an agreement would be in the best interests of the State.

Sec. 22. NRS 338.1378 is hereby amended to read as follows:

- 338.1378 1. Before a local government accepts applications pursuant to NRS 338.1379, the local government must : [; in accordance with subsection 2, advertise in a newspaper that is:]
- (a) <u>Publish an advertisement at least once and not less than 21 days</u> <u>before applications are to be submitted to the local government in a newspaper that is:</u>
 - (1) Qualified pursuant to the provisions of chapter 238 of NRS; and
- [(b)] (2) Published in a county in which the contracts for the potential public works will be performed or, if no qualified newspaper is published in that county, published in a qualified newspaper that is published in the State of Nevada and which has a general circulation in the county in which the contracts for the potential public works will be performed.
- (b) Post on the Internet website of the local government, if the local government maintains an Internet website, an advertisement every day for not less than 21 days before applications are to be submitted to the local government.
- (a) Must be published at least once not less than 21 days before applications are to be submitted to the local government; and
 - (b) Must must include:

- **(1)** (a) A description of the potential public works for which applications to qualify as a bidder are being accepted;
- $\frac{\{(2)\}}{(b)}$ The time and place at which applications are to be submitted to the local government;
 - [(3)] (c) The place at which applications may be obtained; and
- [(4)] (d) Any other information that the local government deems necessary.

Sec. 23. NRS 338.1385 is hereby amended to read as follows:

- 338.1385 1. Except as otherwise provided in subsection 9 and NRS 338.1906 and 338.1907, this State, or a governing body or its authorized representative that awards a contract for a public work in accordance with paragraph (a) of subsection 1 of NRS 338.1373 shall not:
- (a) Commence a public work for which the estimated cost exceeds \$100,000 unless it advertises on the Internet website of the county where the public work will be performed, if the county maintains an Internet website, and in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed for bids for the public work. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.
- (b) Commence a public work for which the estimated cost is \$100,000 or less unless it complies with the provisions of NRS 338.1386, 338.13862 and 338.13864 and, with respect to the State, NRS 338.1384 to 338.13847, inclusive.
- (c) Divide a public work into separate portions to avoid the requirements of paragraph (a) or (b).
- 2. At least once each quarter, the authorized representative of a public body shall report to the public body any contract that the authorized representative awarded pursuant to subsection 1 in the immediately preceding quarter.
- 3. Each advertisement for bids must include a provision that sets forth the requirement that a contractor must be qualified pursuant to NRS 338.1379 or 338.1382 to bid on the contract.
- 4. Approved plans and specifications for the bids must be on file at a place and time stated in the advertisement for the inspection of all persons desiring to bid thereon and for other interested persons. Contracts for the public work must be awarded on the basis of bids received.
- 5. Except as otherwise provided in subsection 6 and NRS 338.1389, a public body or its authorized representative shall award a contract to the lowest responsive and responsible bidder.
- 6. Any bids received in response to an advertisement for bids may be rejected if the public body or its authorized representative responsible for awarding the contract determines that:

- (a) The bidder is not a qualified bidder pursuant to NRS 338.1379 or 338.1382:
 - (b) The bidder is not responsive or responsible;
- (c) The quality of the services, materials, equipment or labor offered does not conform to the approved plans or specifications; or
 - (d) The public interest would be served by such a rejection.
- 7. A public body may let a contract without competitive bidding if no bids were received in response to an advertisement for bids and:
- (a) The public body publishes a notice stating that no bids were received and that the contract may be let without further bidding;
- (b) The public body considers any bid submitted in response to the notice published pursuant to paragraph (a);
- (c) The public body lets the contract not less than 7 days after publishing a notice pursuant to paragraph (a); and
- (d) The contract is awarded to the bidder who has submitted the lowest responsive and responsible bid.
- 8. Before a public body may commence the performance of a public work itself pursuant to the provisions of this section, based upon a determination that the public interest would be served by rejecting any bids received in response to an advertisement for bids, the public body shall prepare and make available for public inspection a written statement containing:
- (a) A list of all persons, including supervisors, whom the public body intends to assign to the public work, together with their classifications and an estimate of the direct and indirect costs of their labor;
- (b) A list of all equipment that the public body intends to use on the public work, together with an estimate of the number of hours each item of equipment will be used and the hourly cost to use each item of equipment;
- (c) An estimate of the cost of administrative support for the persons assigned to the public work;
- (d) An estimate of the total cost of the public work, including the fair market value of or, if known, the actual cost of all materials, supplies, labor and equipment to be used for the public work; and
- (e) An estimate of the amount of money the public body expects to save by rejecting the bids and performing the public work itself.
 - 9. This section does not apply to:
 - (a) Any utility subject to the provisions of chapter 318 or 710 of NRS;
- (b) Any work of construction, reconstruction, improvement and maintenance of highways subject to NRS 408.323 or 408.327;
 - (c) Normal maintenance of the property of a school district;
- (d) The Las Vegas Valley Water District created pursuant to chapter 167, Statutes of Nevada 1947, the Moapa Valley Water District created pursuant to chapter 477, Statutes of Nevada 1983 or the Virgin Valley Water District created pursuant to chapter 100, Statutes of Nevada 1993;

- (e) The design and construction of a public work for which a public body contracts with a design-build team pursuant to NRS 338.1711 to 338.1727, inclusive;
- (f) A constructability review of a public work, which review a local government or its authorized representative is required to perform pursuant to NRS 338.1435; or
- (g) The preconstruction or construction of a public work for which a public body enters into a contract with a construction manager at risk pursuant to NRS 338.169 to 338.1699, inclusive.

Sec. 24. NRS 338.143 is hereby amended to read as follows:

- 338.143 1. Except as otherwise provided in subsection 8 and NRS 338.1907, a local government or its authorized representative that awards a contract for a public work in accordance with paragraph (b) of subsection 1 of NRS 338.1373 shall not:
- (a) Commence a public work for which the estimated cost exceeds \$100,000 unless it advertises on the Internet website of the local government, if the local government maintains an Internet website, and in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed for bids for the public work. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.
- (b) Commence a public work for which the estimated cost is \$100,000 or less unless it complies with the provisions of NRS 338.1442, 338.1444 and 338.1446.
- (c) Divide a project work into separate portions to avoid the requirements of paragraph (a) or (b).
- 2. At least once each quarter, the authorized representative of a local government shall report to the governing body any contract that the authorized representative awarded pursuant to subsection 1 in the immediately preceding quarter.
- 3. Approved plans and specifications for the bids must be on file at a place and time stated in the advertisement for the inspection of all persons desiring to bid thereon and for other interested persons. Contracts for the public work must be awarded on the basis of bids received.
- 4. Except as otherwise provided in subsection 5 and NRS 338.147, the local government or its authorized representative shall award a contract to the lowest responsive and responsible bidder.
- 5. Any bids received in response to an advertisement for bids may be rejected if the local government or its authorized representative responsible for awarding the contract determines that:
 - (a) The bidder is not responsive or responsible;
- (b) The quality of the services, materials, equipment or labor offered does not conform to the approved plans or specifications; or

- (c) The public interest would be served by such a rejection.
- 6. A local government may let a contract without competitive bidding if no bids were received in response to an advertisement for bids and:
- (a) The local government publishes a notice stating that no bids were received and that the contract may be let without further bidding;
- (b) The local government considers any bid submitted in response to the notice published pursuant to paragraph (a);
- (c) The local government lets the contract not less than 7 days after publishing a notice pursuant to paragraph (a); and
- (d) The contract is awarded to the lowest responsive and responsible bidder.
- 7. Before a local government may commence the performance of a public work itself pursuant to the provisions of this section, based upon a determination that the public interest would be served by rejecting any bids received in response to an advertisement for bids, the local government shall prepare and make available for public inspection a written statement containing:
- (a) A list of all persons, including supervisors, whom the local government intends to assign to the public work, together with their classifications and an estimate of the direct and indirect costs of their labor;
- (b) A list of all equipment that the local government intends to use on the public work, together with an estimate of the number of hours each item of equipment will be used and the hourly cost to use each item of equipment;
- (c) An estimate of the cost of administrative support for the persons assigned to the public work;
- (d) An estimate of the total cost of the public work, including the fair market value of or, if known, the actual cost of all materials, supplies, labor and equipment to be used for the public work; and
- (e) An estimate of the amount of money the local government expects to save by rejecting the bids and performing the public work itself.
 - 8. This section does not apply to:
 - (a) Any utility subject to the provisions of chapter 318 or 710 of NRS;
- (b) Any work of construction, reconstruction, improvement and maintenance of highways subject to NRS 408.323 or 408.327;
 - (c) Normal maintenance of the property of a school district;
- (d) The Las Vegas Valley Water District created pursuant to chapter 167, Statutes of Nevada 1947, the Moapa Valley Water District created pursuant to chapter 477, Statutes of Nevada 1983 or the Virgin Valley Water District created pursuant to chapter 100, Statutes of Nevada 1993;
- (e) The design and construction of a public work for which a public body contracts with a design-build team pursuant to NRS 338.1711 to 338.1727, inclusive;
- (f) A constructability review of a public work, which review a local government or its authorized representative is required to perform pursuant to NRS 338.1435; or

(g) The preconstruction or construction of a public work for which a public body enters into a contract with a construction manager at risk pursuant to NRS 338.169 to 338.1699, inclusive.

Sec. 25. NRS 338.1692 is hereby amended to read as follows:

- 338.1692 1. A public body shall advertise for statements of qualifications for a construction manager at risk *on the Internet website of the public body, if the public body maintains an Internet website, and* in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.
- 2. A request for a statement of qualifications published pursuant to subsection 1 must include, without limitation:
 - (a) A description of the public work;
 - (b) An estimate of the cost of construction;
- (c) A description of the work that the public body expects a construction manager at risk to perform;
- (d) The dates on which it is anticipated that the separate phases of the preconstruction and construction of the public work will begin and end;
- (e) The date by which statements of qualifications must be submitted to the public body;
- (f) If the project is a public work of the State, a statement setting forth that the construction manager at risk must be qualified to bid on a public work of the State pursuant to NRS 338.1379 before submitting a statement of qualifications;
- (g) The name, title, address and telephone number of a person employed by the public body that an applicant may contact for further information regarding the public work; and
- (h) A list of the selection criteria and relative weight of the selection criteria that will be used to evaluate statements of qualifications.
 - 3. A statement of qualifications must include, without limitation:
- (a) An explanation of the experience that the applicant has with projects of similar size and scope;
- (b) The contact information for references who have knowledge of the background, character and technical competence of the applicant;
- (c) The applicant's preliminary proposal for managing the preconstruction and construction of the public work;
- (d) Evidence of the ability of the applicant to obtain the necessary bonding for the work to be required by the public body;
- (e) Evidence that the applicant has obtained or has the ability to obtain such insurance as may be required by law; and
 - (f) A statement of whether the applicant has been:
- (1) Found liable for breach of contract with respect to a previous project, other than a breach for legitimate cause; and

(2) Disqualified from being awarded a contract pursuant to NRS 338.017, 338.13895, 338.1475 or 408.333.

Sec. 26. NRS 338.1723 is hereby amended to read as follows:

- 338.1723 1. A public body shall advertise for preliminary proposals for the design and construction of a public work by a design-build team <u>on the Internet website of the public body, if the public body maintains an Internet website, and</u> in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.
- 2. A request for preliminary proposals published pursuant to subsection 1 must include, without limitation:
 - (a) A description of the public work to be designed and constructed;
 - (b) An estimate of the cost to design and construct the public work;
- (c) The dates on which it is anticipated that the separate phases of the design and construction of the public work will begin and end;
- (d) The date by which preliminary proposals must be submitted to the public body;
- (e) If the proposal is for a public work of the State, a statement setting forth that the prime contractor must be qualified to bid on a public work of the State pursuant to NRS 338.1379 before submitting a preliminary proposal;
- (f) A description of the extent to which designs must be completed for both preliminary and final proposals and any other requirements for the design and construction of the public work that the public body determines to be necessary;
 - (g) A list of the requirements set forth in NRS 338.1721;
- (h) A list of the factors and relative weight assigned to each factor that the public body will use to evaluate design-build teams who submit a proposal for the public work;
- (i) Notice that a design-build team desiring to submit a proposal for the public work must include with its proposal the information used by the public body to determine finalists among the design-build teams submitting proposals pursuant to subsection 2 of NRS 338.1725 and a description of that information; and
- (j) A statement as to whether a design-build team that is selected as a finalist pursuant to NRS 338.1725 but is not awarded the design-build contract pursuant to NRS 338.1727 will be partially reimbursed for the cost of preparing a final proposal and, if so, an estimate of the amount of the partial reimbursement.

Sec. 27. NRS 338.1907 is hereby amended to read as follows:

338.1907 1. A governing body may designate one or more energy retrofit coordinators for the buildings occupied by the local government.

- 2. If such a coordinator is designated, upon request by or consultation with an officer or employee of the local government who is responsible for the budget of a department, board, commission or other entity of the local government, the coordinator may request the approval of the governing body to advertise a request for proposals to retrofit a building, or any portion thereof, that is occupied by the department, board, commission or other entity, to make the use of energy in the building, or portion thereof, more efficient.
- 3. Upon approval of the governing body, the coordinator shall prepare a request for proposals for the retrofitting of one or more buildings, or any portion thereof, which includes:
 - (a) The name and location of the coordinator;
- (b) A brief description of the requirements for the initial audit of the use of energy and the retrofitting;
- (c) Where and how specifications of the requirements for the initial audit of the use of energy and the retrofitting may be obtained;
- (d) The date and time not later than which proposals must be received by the coordinator; and
 - (e) The date and time when responses will be opened.
- 4. The request for proposals must be published <u>on the Internet website</u> <u>of the governing body, if the governing body maintains an Internet website, and</u> in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county where the public work will be performed.
- 5. After receiving the proposals but before making a decision on the proposals, the coordinator shall consider:
 - (a) The best interests of the local government;
- (b) The experience and financial stability of the persons submitting the proposals;
- (c) Whether the proposals conform with the terms of the request for proposals;
 - (d) The prices of the proposals; and
 - (e) Any other factor disclosed in the request for proposals.
- 6. The coordinator shall determine the relative weight of each factor 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 to the coordinator.
- 7. After reviewing the proposals, if the coordinator determines that the dollar value of the annual energy savings resulting from the retrofit will meet or exceed the total annual contract payments to be made by the local government, including any financing charges to be incurred by the local government over the life of the contract, the coordinator shall select the best

proposal and request the approval of the governing body to award the contract. The request for approval must include the proposed method of financing the audit and retrofit, which may include an installment contract, a shared savings contract or any other contract for a reasonable financing arrangement. Such a contract may commit the local government to make payments beyond the fiscal year in which the contract is executed or beyond the terms of office of the governing body, or both.

- 8. Before approving a retrofit pursuant to this section, the governing body shall evaluate any projects that would utilize shared savings as a method of payment or any method of financing that would commit the local government to make payments beyond the fiscal year in which the contract is executed or beyond the terms of office of the governing body to ensure that:
- (a) The dollar value of the annual energy savings resulting from the retrofit will meet or exceed the total annual contract payments to be made by the local government related to the retrofit, including any financing charges to be incurred by the local government over the life of the contract; and
- (b) The local government is likely to continue to occupy the building for the entire period required to recoup the cost of the retrofit in energy savings.
- 9. Upon approval of the governing body, the coordinator shall execute the contract and notify each officer or employee who is responsible for the budget of a department, board, commission or other entity which occupies a portion of a building that will be retrofitted of the amount of money it will be required to pay annually for its portion of the retrofit.
- 10. A change order to a contract executed pursuant to this section may not be approved by the local government if the cost of the change order would cause the dollar value of the annual energy savings resulting from the retrofit to be less than the total annual contract payments to be made by the local government, including financing charges to be incurred by the local government over the life of the contract, unless approval of the change order is more economically feasible than termination of the retrofit.
- 11. NRS 338.1385 and 338.143 do not apply to a project for which a request for proposals is advertised and the contract is awarded pursuant to the provisions of this section.

Sec. 28. NRS 496.090 is hereby amended to read as follows:

- 496.090 1. In operating an airport or air navigation facility or any other facilities appertaining to the airport owned, leased or controlled by a municipality, the municipality may, except as limited by the terms and conditions of any grant, loan or agreement pursuant to NRS 496.180, enter into:
 - (a) Contracts, leases and other arrangements with any persons:
- (1) Granting the privilege of using or improving the airport or air navigation facility, or any portion or facility thereof, or space therein, for commercial purposes. The municipality may, if it determines that an improvement benefits the municipality, reimburse the person granted the privilege for all or any portion of the cost of making the improvement.

- (2) Conferring the privilege of supplying goods, commodities, things, services or facilities at the airport or air navigation facility or other facilities.
- (3) Making available services to be furnished by the municipality or its agents or by other persons at the airport or air navigation facility or other facilities.
- (4) Providing for the maintenance of the airport or air navigation facility, or any portion or facility thereof, or space therein.
- (5) Allowing residential occupancy of property acquired by the municipality.
- (b) Contracts for the sale of revenue bonds or other securities whose issuance is authorized by the Local Government Securities Law or NRS 496.150 or 496.155, for delivery within 10 years after the date of the contract.
- 2. In each case the municipality may establish the terms and conditions and fix the charges, rentals or fees for the privileges or services, which must be reasonable and uniform for the same class of privilege or service and must be established with due regard to the property and improvements used and the expenses of operation to the municipality.
- 3. Except as otherwise provided in this subsection, and as an alternative to the procedure provided in subsection 2 of NRS 496.080, to the extent of its applicability, the governing body of any municipality may authorize it to enter into any such contracts, leases and other arrangements with any persons, as provided in this section, for a period not exceeding 50 years, upon such terms and conditions as the governing body deems proper. The provisions of this subsection must not be used to circumvent the requirement set forth in subsection 2 of NRS 496.080 that the disposal of real property be made by public auction.
- 4. Before entering into any such contract, lease or other arrangements, the municipality shall publish notice of its intention in general terms on the Internet website of the municipality, if the municipality maintains an Internet website, for a period of not less than 10 consecutive days, and in a newspaper of general circulation within the municipality at least once a week for 21 days or three times during a period of 10 days. If there is not a newspaper of general circulation within the municipality, the municipality shall post a notice of its intention in a public place at least once a week for 30 days. The notice must specify that a regular meeting of the governing body is to be held, at which meeting any interested person may appear. No such contract, lease or other arrangement may be entered into by the municipality until after the notice has been given and a meeting held as provided in this subsection.
- 5. Any member of a municipality's governing body may vote on any such contract, lease or other arrangement notwithstanding the fact that the term of the contract, lease or other arrangement may extend beyond the member's term of office.

[Sec. 21.] Sec. 29. Notwithstanding the provisions of NRS 242.122, as amended by section 12 of this act, the existing members of the Information Technology Advisory Board who are appointed to 2-year terms by the Governor pursuant to NRS 242.122 may continue to serve as a member of the Board until the expiration of their current terms and until the Governor appoints successors to 4-year terms pursuant to NRS 242.122, as amended by section 12 of this act. If a position on the Board becomes vacant on or after July 1, 2011, the vacancy must be filled in the manner provided in NRS 242.122, as amended by section 12 of this act.

ISec. 22.1 Sec. 30. This act becomes effective on July 1, 2011.

Senator Lee moved the adoption of the amendment.

Remarks by Senator Lee.

Senator Lee requested that his remarks be entered in the Journal.

Amendment No. 18 to Senate Bill No. 82 removes the Superintendent of Public Instruction or his designee from the membership of the Information Technology Advisory Board and removes previously proposed language that would have added the Administrator of the State Library and Archives to the Board. It narrows the scope of the notifications required to be made to the State Chief of Information Security to those matters specifically related to information technology security issues, and it provides that advertisements for bids for State and local purchasing activities be posted on the appropriate State or local purchasing agency's Internet website, if available. The amendment also extends this posting requirement to bids on local public works projects.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 85.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 19.

"SUMMARY—Revises provisions governing land use decisions. (BDR 22-99)"

"AN ACT relating to land use planning; revising provisions relating to the appeal of land use decisions; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the governing body of each city and county is required to adopt an ordinance providing that an aggrieved person may appeal the decision of a planning commission, board of adjustment, hearing examiner or other similar official to the governing body. A person who is aggrieved by the decision of the governing body concerning that appeal may appeal the decision of the governing body to the district court by filing a petition for judicial review. (NRS 278.3195) This bill authorizes an aggrieved person also to appeal to a district court a decision of a governing body that considered a recommendation of a planning commission, board of adjustment, hearing examiner or other similar official or a decision of a

governing body which was made without the necessity of a decision or recommendation by a planning commission, board of adjustment, hearing examiner or other similar official. In a county whose population is 400,000 or more (currently Clark County), this bill also provides that, for the purpose of determining whether a person who has filed a petition for judicial review of a decision of a governing body is an aggrieved person who may seek judicial review of the decision: (1) the person shall be deemed not to be aggrieved by the decision unless the person appeared before the planning commission, board of adjustment, hearing examiner or other similar official on the matter which is the subject of the decision and before the governing body and fully set forth his or her position and the grounds in support of that position; and (2) the person must not be determined to be aggrieved by the decision solely on the basis that the decision may increase or create competition which the person claims may be detrimental to his or her property rights or other legal interests.

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

Section 1. NRS 278.3195 is hereby amended to read as follows:

- 278.3195 1. Except as otherwise provided in NRS 278.310, each governing body shall adopt an ordinance providing that any person who is aggrieved by a decision of:
- (a) The planning commission, if the governing body has created a planning commission pursuant to NRS 278.030;
- (b) The board of adjustment, if the governing body has created a board of adjustment pursuant to NRS 278.270;
- (c) A hearing examiner, if the governing body has appointed a hearing examiner pursuant to NRS 278.262; or
- (d) Any other person appointed or employed by the governing body who is authorized to make administrative decisions regarding the use of land,
- may appeal the decision to the governing body. In a county whose population is 400,000 or more, a person shall be deemed to be aggrieved under an ordinance adopted pursuant to this subsection if the person appeared, either in person, through an authorized representative or in writing, before a person or entity described in paragraphs (a) to (d), inclusive, on the matter which is the subject of the decision.
- 2. Except as otherwise provided in NRS 278.310, an ordinance adopted pursuant to subsection 1 must set forth, without limitation:
- (a) The period within which an appeal must be filed with the governing body.
- (b) The procedures pursuant to which the governing body will hear the appeal.
 - (c) That the governing body may affirm, modify or reverse a decision.
- (d) The period within which the governing body must render its decision, except that:

- (1) In a county whose population is 400,000 or more, that period must not exceed 45 days.
- (2) In a county whose population is less than 400,000, that period must not exceed 60 days.
- (e) That the decision of the governing body is a final decision for the purpose of judicial review.
- (f) That, in reviewing a decision, the governing body will be guided by the statement of purpose underlying the regulation of the improvement of land expressed in NRS 278.020.
- (g) That the governing body may charge the appellant a fee for the filing of an appeal.
- 3. In addition to the requirements set forth in subsection 2, in a county whose population is 400,000 or more, an ordinance adopted pursuant to subsection 1 must:
 - (a) Set forth procedures for the consolidation of appeals; and
- (b) Prohibit the governing body from granting to an aggrieved person more than two continuances on the same matter, unless the governing body determines, upon good cause shown, that the granting of additional continuances is warranted.
 - 4. Any person who:
- (a) Has appealed a decision to the governing body in accordance with an ordinance adopted pursuant to subsection 1 [;] and is aggrieved by the decision of the governing body;
- (b) Is aggrieved by [the] a decision of [the] a governing body $\frac{1}{1}$, regarding the use of land in which the governing body considered a recommendation of a person or entity described in paragraphs (a) to (d), inclusive, of subsection 1; or
- (c) Is aggrieved by a decision of a governing body which, pursuant to the procedures contained in the applicable local ordinance, was made without the necessity of a decision or recommendation by a person or entity described in paragraphs (a) to (d), inclusive, of subsection 1,
- may appeal [that] the decision of the governing body to the district court of the proper county by filing a petition for judicial review within 25 days after the date of filing of notice of the decision with the clerk or secretary of the governing body, as set forth in NRS 278.0235.
- 5. In a county whose population is 400,000 or more, for the purpose of determining whether a person who is appealing a decision of a governing body by filing a petition for judicial review is aggrieved by the decision:
- (a) The person shall be deemed not to be aggrieved by the decision unless the person appeared in person, through an authorized representative or in writing and fully set forth his or her position and the grounds in support of that position:
- (1) Before the person or entity described in paragraphs (a) to (d), inclusive, of subsection 1 that considered the matter, if applicable; and
 - (2) Before the governing body; and

- (b) The person must not be determined to be aggrieved by the decision of the governing body solely on the basis that the decision may increase or create competition that the person claims may be detrimental to his or her property rights or other legal interests.
- 6. The provisions of this section do not apply to a petition to designate the location of a proposed establishment as a gaming enterprise district pursuant to NRS 463.3084 or 463.3086.
 - 7. As used in this section, "person" includes the \neq :
- (a) The Armed Forces of the United States or an official component or representative thereof <u>f</u>; and

(b) Any governmental entity.]

Sec. 2. This act becomes effective on July 1, 2011.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Senator Hardy requested that his remarks be entered in the Journal.

Amendment No. 19 to Senate Bill No. 85 deletes the addition of "any governmental entity" to the definition of "person" as it relates to the authority of a person to file an appeal of a land use decision made by a local governing body. This amendment serves to avoid a situation where one governmental entity such as the federal government might file an appeal against the decision of a local governing body.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 96.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 50.

"SUMMARY—Revises provisions governing the Governor Guinn Millennium Scholarship Program. (BDR 34-586)"

"AN ACT relating to education; [requiring a student to perform community service as a condition to receipt of a Governor Guinn Millennium Scholarship; requiring the Board of Regents of the University of Nevada to establish an appeal process for students who are unable to complete the required community service;] encouraging a student who receives a Governor Guinn Millennium Scholarship to volunteer at least 20 hours of community service per year; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law establishes the Governor Guinn Millennium Scholarship Program and prescribes the eligibility requirements for receipt of a Millennium Scholarship. (NRS 396.911-396.938) [This bill revises the eligibility requirements by requiring a student to perform at least 20 hours of community service which meets certain criteria established by the Board of Regents of the University of Nevada during the 4 years before the student first becomes eligible for a Millennium Scholarship. This requirement will

first apply to students who are eligible to receive a Millennium Scholarship on and after June 1, 2014.] This bill encourages a student who receives a Millennium Scholarship to volunteer at least 20 hours of community service during each year that the student receives a Millennium Scholarship.

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

Section 1. PNRS 396.930 is hereby amended to read as follows:

- 396.930 1. Except as otherwise provided in subsections 2 and 3, a student may apply to the Board of Regents for a Millennium Scholarship if the student.
- (a) Except as otherwise provided in paragraph-[(c)]-(f) of subsection 2, has been a resident of this State for at least 2 years before the student applies for the Millennium Scholarship:
- (b) Except as otherwise provided in paragraph (e), graduated from a public or private high school in this State:
 - (1) After May 1, 2000, but not later than May 1, 2003; or
- (2) After May 1, 2003, and, except as otherwise provided in paragraphs [(c),] (d), (e) and [(f)]-(g) of subsection 2, not more than 6 years before the student applies for the Millennium Scholarship;
 - (e) Does not satisfy the requirements of paragraph (b) and:
- (1) Was enrolled as a pupil in a public or private high school in this State with a class of pupils who were regularly scheduled to graduate after May 1, 2000:
- (2) Received his or her high school diploma within 4 years after he or she was regularly scheduled to graduate; and
- (3) Applies for the Millennium Scholarship not more than 6 years after he or she was regularly scheduled to graduate from high school:
- (d) Maintained in high school in the courses designated by the Board of Regents pursuant to paragraph (b) of subsection 2, at least:
- (1) A 3.00 grade point average on a 4.0 grading scale, if the student was a member of the graduating class of 2003 or 2004:
- (2) A 3.10 grade point average on a 4.0 grading scale, if the student was a member of the graduating class of 2005 or 2006; or
- (3) A 3.25 grade point average on a 4.0 grading scale, if the student was a member of the graduating class of 2007 or a later graduating class; [and]
- (e) Is eligible for a Millennium Scholarship on or after June 1, 2014, and submits a statement on or before June 1 of the year in which the student will enroll in an eligible institution which documents that the student has performed at least 20 hours of community service for this State, a political subdivision of this State or a charitable organization that provides service to a community or the residents of a community in this State during the 4 years before the student first becomes eligible for the Millennium Scholarship; and
 - (f) Is enrolled in at least:
 - (1) Six semester credit hours in a community college within the System;

- (2) Twelve semester credit hours in another eligible institution; or
- (3) A total of 12 or more semester credit hours in eligible institutions if the student is enrolled in more than one eligible institution.
 - 2. The Board of Regents:
- (a) Shall define the core curriculum that a student must complete in high school to be cligible for a Millennium Scholarship.
- (b) Shall designate the courses in which a student must earn the minimum grade point averages set forth in paragraph (d) of subsection 1.
- (e) Shall establish criteria for the performance of community service required by paragraph (e) of subsection 1 and a process of appeal for students who are unable to complete the community service.
- (d) May establish criteria with respect to students who have been on active duty serving in the Armed Forces of the United States to exempt such students from the 6-year limitation on applications that is set forth in subparagraph (2) of paragraph (b) of subsection 1.
- [(d)]-(e) Shall establish criteria with respect to students who have a documented physical or mental disability or who were previously subject to an individualized education program under the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., or a plan under Title V of the Rehabilitation Act of 1973, 29 U.S.C. §§ 791 et seq. The criteria must provide an exemption for those students from:
- (1) The 6 year limitation on applications that is set forth in subparagraph (2) of paragraph (b) of subsection 1 and subparagraph (3) of paragraph (e) of subsection 1 and any limitation applicable to students who are eligible pursuant to subparagraph (1) of paragraph (b) of subsection 1.
- (2) The minimum number of credits prescribed in paragraph-[(c)]-(f) of subsection 1-
- [(e)]-(f)-Shall establish criteria with respect to students who have a parent or legal guardian on active duty in the Armed Forces of the United States to exempt—such—students—from—the—residency—requirement—set—forth—in paragraph (a) of subsection 1 or subsection 3.
- [(f)]—(g)—Shall establish criteria with respect to students who have been actively serving or participating in a charitable, religious or public service assignment or mission to exempt such students from the 6 year limitation on applications that is set forth in subparagraph (2) of paragraph (b) of subsection 1. Such criteria must provide for the award of Millennium Scholarships to those students who qualify for the exemption and who otherwise meet the eligibility criteria to the extent that money is available to award Millennium Scholarships to the students after all other obligations for the award of Millennium Scholarships for the current school year have been satisfied.
- 3. Except as otherwise provided in paragraph (e) of subsection 1, for students who did not graduate from a public or private high school in this State and who, except as otherwise provided in paragraph [(e)] (f) of

subsection 2, have been residents of this State for at least 2 years, the Board of Recents shall establish:

- (a) The minimum score on a standardized test that such students must receive; or
 - (b) Other criteria that students must meet.
- → to be eligible for Millennium Scholarships.
- 4. In awarding Millennium Scholarships, the Board of Regents shall enhance its outreach to students who:
 - (a) Are pursuing a career in education or health eare;
- (b) Come from families who lack sufficient financial resources to pay for the costs of sending their children to an eligible institution; or
- (e) Substantially participated in an antismoking, antidrug or antialeohol program during high school.
- 5. The Board of Regents shall establish a procedure by which an applicant for a Millennium Scholarship is required to execute an affidavit declaring the applicant's eligibility for a Millennium Scholarship pursuant to the requirements of this section. The affidavit must include a declaration that the applicant is a citizen of the United States or has lawful immigration status, or that the applicant has filed an application to legalize the applicant's immigration status or will file an application to legalize his or her immigration status as soon as he or she is eligible to do so.] (Deleted by amendment.)
- Sec. 2. [On or before January 1, 2012, the Board of Regents of the University of Nevada shall adopt the criteria required by paragraph (e) of subsection 2 of NRS 396.930, as amended by section 1 of this act. The Board of Regents shall ensure that the school districts in this State are provided with adequate notice of the criteria and otherwise provide for public dissemination of the criteria.] (Deleted by amendment.)

Sec. 3. NRS 396.934 is hereby amended to read as follows:

- 396.934 1. Except as otherwise provided in this section, within the limits of money available in the Trust Fund, a student who is eligible for a Millennium Scholarship is entitled to receive:
- (a) If he or she is enrolled in a community college within the System, including, without limitation, a summer academic term, \$40 per credit for each lower division course and \$60 per credit for each upper division course in which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the community college that are not otherwise satisfied by other grants or scholarships, whichever is less. The Board of Regents shall provide for the designation of upper and lower division courses for the purposes of this paragraph.
- (b) If he or she is enrolled in a state college within the System, including, without limitation, a summer academic term, \$60 per credit for which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the state college that are not otherwise satisfied by other grants or scholarships, whichever is less.

- (c) If he or she is enrolled in another eligible institution, including, without limitation, a summer academic term, \$80 per credit for which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the university that are not otherwise satisfied by other grants or scholarships, whichever is less.
- (d) If he or she is enrolled in more than one eligible institution, including, without limitation, a summer academic term, the amount authorized pursuant to paragraph (a), (b) or (c), or a combination thereof, in accordance with procedures and guidelines established by the Board of Regents.
- → In no event may a student who is eligible for a Millennium Scholarship receive more than the cost of 12 semester credits per semester pursuant to this subsection.
 - 2. No student may be awarded a Millennium Scholarship:
 - (a) To pay for remedial courses.
 - (b) For a total amount in excess of \$10,000.
 - 3. A student who receives a Millennium Scholarship shall:
- (a) Make satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection $\frac{17.1}{100}$ 8; and
 - (b) If the student graduated from high school after May 1, 2003, maintain:
- (1) At least a 2.60 grade point average on a 4.0 grading scale for each semester during the first year of enrollment in the Governor Guinn Millennium Scholarship Program.
- (2) At least a 2.75 grade point average on a 4.0 grading scale for each semester during the second year of enrollment in the Governor Guinn Millennium Scholarship Program and for each semester during each year of enrollment thereafter.
- 4. A student who receives a Millennium Scholarship is encouraged to volunteer at least 20 hours of community service for this State, a political subdivision of this State or a charitable organization that provides service to a community or the residents of a community in this State during each year in which the student receives a Millennium Scholarship.
- <u>5.</u> If a student does not satisfy the requirements of subsection 3 during one semester of enrollment, excluding a summer academic term, he or she is not eligible for the Millennium Scholarship for the succeeding semester of enrollment. If such a student:
- (a) Subsequently satisfies the requirements of subsection 3 in a semester in which he or she is not eligible for the Millennium Scholarship, the student is eligible for the Millennium Scholarship for the student's next semester of enrollment.
- (b) Fails a second time to satisfy the requirements of subsection 3 during any subsequent semester, excluding a summer academic term, the student is no longer eligible for a Millennium Scholarship.
 - [5.] 6. A Millennium Scholarship must be used only:
 - (a) For the payment of registration fees and laboratory fees and expenses;

- (b) To purchase required textbooks and course materials; and
- (c) For other costs related to the attendance of the student at the eligible institution.
- [6.] 7. The Board of Regents shall certify a list of eligible students to the State Treasurer. The State Treasurer shall disburse a Millennium Scholarship for each semester on behalf of an eligible student directly to the eligible institution in which the student is enrolled, upon certification from the eligible institution of the number of credits for which the student is enrolled, which must meet or exceed the minimum number of credits required for eligibility and certification that the student is in good standing and making satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection [7.] 8. The Millennium Scholarship must be administered by the eligible institution as other similar scholarships are administered and may be used only for the expenditures authorized pursuant to subsection [5.] 6. If a student is enrolled in more than one eligible institution, the Millennium Scholarship must be administered by the eligible institution at which the student is enrolled in a program of study leading to a recognized degree or certificate.

[7.] 8. The Board of Regents shall establish:

- (a) Criteria for determining whether a student is making satisfactory academic progress toward a recognized degree or certificate for purposes of subsection [6.] 7.
- (b) Procedures to ensure that all money from a Millennium Scholarship awarded to a student that is refunded in whole or in part for any reason is refunded to the Trust Fund and not the student.
- (c) Procedures and guidelines for the administration of a Millennium Scholarship for students who are enrolled in more than one eligible institution.

[Sec. 3.] Sec. 4. This act becomes effective on July 1, 2011.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Senator Denis requested that his remarks be entered in the Journal.

Amendment No. 50 makes significant revisions to the bill as a whole to encourage recipients of the Governor Guinn Millennium Scholarship to perform at least 20 hours of community service during each of the years they receive this scholarship. The amendment deletes provisions that would have made this a requirement for high school students to be eligible to receive this scholarship.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 102.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 74.

"SUMMARY—{Requires the Board of Wildlife Commissioners to adopt regulations for} Revises provisions governing the taking of [shed antlers.] wildlife. (BDR 45-764)"

"AN ACT relating to wildlife; revising the civil penalties for unlawfully killing or possessing certain big game mammals and other wildlife and for hunting, fishing or trapping without a valid license, tag or permit; requiring the Board of Wildlife Commissioners to adopt regulations for the taking of antlers naturally shed by big game mammals; [requiring the Commission to fix a price for the commercial taking of shed antlers;] and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law imposes certain civil penalties against a person for unlawfully killing or possessing big game mammals, bobcats, swans, eagles or other fish or wildlife and for hunting, fishing or trapping without a license. (NRS 501.3855) Section 1 of this bill imposes a similar civil penalty against a person for unlawfully killing or possessing a trophy big game mammal in an amount that is not less than \$5,000 or more than \$30,000. Section 1 also imposes a civil penalty against a person for unlawfully killing or possessing a moose and revises the maximum civil penalty for which a person is liable for hunting, fishing or trapping without a license, tag or permit. The revised maximum amount of that civil penalty is changed from \$250 to the amount of the fee for the required license, tag or permit for the activity in which the person engaged.

Existing law requires the Board of Wildlife Commissioners to establish broad policies for the management of wildlife in this State and to adopt regulations to carry out the provisions of title 45 of NRS governing wildlife in this State. (NRS 501.181) Existing law also prohibits a person from selling, bartering, trading or purchasing the parts of any species of wildlife except as otherwise provided in that title or in a regulation adopted by the Commission. (NRS 501.379) [This] Section 2 of this bill requires the Commission to adopt regulations for the **feonmercial and noncommercial** taking of antlers which have been naturally shed by any big game mammal in this State. [This bill allows a person who possesses a valid Nevada hunting license or permit to take shed antlers for a noncommercial purpose without paying a fee. If a person wishes to take shed antlers but does not possess a license or permit to hunt in this State, this bill requires the Commission to issue the person a permit for a fee not to exceed \$10. Finally, this bill requires the Commission to fix a price which does not exceed \$1,500 for the commercial taking of shed antlers.

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

Section 1. NRS 501.3855 is hereby amended to read as follows:

501.3855 1. In addition to the penalties provided for the violation of any of the provisions of this title, every person who funlawfully!

- (a) Unlawfully kills or possesses a trophy big game mammal [13] is liable for a civil penalty of not less than \$5,000 nor more than \$30,000; or
- (b) Except as otherwise provided in paragraph (a), unlawfully kills or possesses a big game mammal, moose, bobcat, swan or eagle is liable for a civil penalty of not less than \$250 \[\frac{\text{hor more}}{\text{but less}} \] than \$5,000.
- 2. For the unlawful killing or possession of fish or wildlife not included in subsection 1, [the court may order the defendant to pay] a person is liable for a civil penalty of not less than \$25 nor more than \$1,000.
- 3. For hunting, fishing or trapping without a valid license, tag or permit, [the court may order the defendant to pay] a person is liable for a civil penalty of not less than \$50 nor more than [\$250.] the amount of the fee for the license, tag or permit required for the activity in which the person engaged.
- 4. Every court, before whom a defendant is convicted of unlawfully killing or possessing any wildlife, shall order the defendant to pay the civil penalty in the amount stated in this section for each mammal, bird or fish unlawfully killed or possessed. The court shall fix the manner and time of payment.
- 5. The Department may attempt to collect all penalties and installments that are in default in any manner provided by law for the enforcement of a judgment.
- 6. If a person who is ordered to pay a civil penalty pursuant to this section fails to do so within 90 days after the date set forth in the order, the Department may suspend, revoke, or refuse to issue or renew any license, tag, permit, certificate or other document or privilege otherwise available to the person pursuant to this title or chapter 488 of NRS.
- 7. Each court that receives money pursuant to the provisions of this section shall forthwith remit the money to the Department which shall deposit the money with the State Treasurer for credit to the Wildlife Account in the State General Fund.
- 8. As used in this section, "trophy big game mammal" means a mule deer with an outside antler measurement of at least 24 inches, a bighorn sheep of any species with at least one horn exceeding a half curl, a Rocky Mountain elk with at least six antler points on one antler, a pronghorn antelope with at least one horn which is more than 14 inches in length, a mountain goat or a black bear. As used in this subsection:
- (a) "Antler" means any bony growth originating from the pedicle portion of the skull of a big game mammal that is annually cast and regenerated as part of the annual life cycle of the big game mammal.
- (b) "Antler point" means a projection which is at least 1 inch in length with the length exceeding the width of its base, excluding the first point on the main beam commonly known as the eye guard on mule deer.
- (c) "Horn exceeding a half curl" means a horn tip that has grown at least through 180 degrees of a circle determined by establishing a parallel reference line from the base of the horn and measuring the horn tip to

<u>determine whether the horn tip has grown at least to the projection of the</u> reference line.

(d) "Outside antler measurement" means the perpendicular measurement at right angles to the center line of the skull of a deer at the widest point between the main antler beams or the antler points off the main antler beams.

[Section 1.] Sec. 2. Chapter 503 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Commission shall <u>+</u>÷
- (a) Adopt adopt regulations for the taking of shed antlers.
- f (b) Allow a person who holds a license or permit to hunt in this State to take shed antlers for a noncommercial purpose without paying a fee.
- (c) Issue a permit upon the payment of a fee not to exceed \$10 to any person who is 12 years of age or older and who does not hold a license or permit to hunt in this State but wishes to take shed antlers for a noncommercial purpose.
- (d) Fix a price not to exceed \$1,500 to be paid to the Department for shed antlers taken for a commercial purpose.]
- 2. As used in this section, "shed antlers" means antlers which have been naturally shed by any big game mammal in this State.

[Sec. 2.] **Sec. 3.** This act becomes effective:

- 1. Upon passage and approval for the purpose of adopting the regulations required by section ## 2 of this act; and
 - 2. On October 1, 2011, for all other purposes.

Senator Manendo moved the adoption of the amendment.

Remarks by Senator Manendo.

Senator Manendo requested that his remarks be entered in the Journal.

This amendment removes language from the bill that would have required the Wildlife Commission to set various fees for the commercial and non-commercial taking of shed antlers, and it adds language allowing the Wildlife Commission to adopt regulations for the taking of shed antlers. The amendment also adds a definition for a "trophy big game mammal" and adds a civil penalty.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 111.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 36.

"SUMMARY—{Makes various changes} Revises provisions concerning the placement of certain children who are in protective custody. {in-certain counties.} (BDR 38-697)"

"AN ACT relating to the protection of children; [revising provisions limiting the placement of certain children who are in protective custody in

concerning the placement of children in protective custody are understood and carried out; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law prohibits a person from placing a child who is under 6 years of age and who is in protective custody into a child care institution unless appropriate foster care is not available at the time of the placement or certain other conditions are met, including that the medical needs of the child cannot be met at any other placement or if the placement is necessary to avoid separating siblings. (NRS 432B.3905) This bill [provides an additional exception from the prohibition on the placement of such a child in a child eare institution for a child who is placed in a child eare institution in a county whose population is less than 100,000 (currently counties other than Clark and Washoe Counties).] requires each agency which provides child welfare services to develop and implement a written plan to ensure that the provisions and exceptions for such placement of children in protective custody are understood and carried out.

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

Section 1. NRS 432B.3905 is hereby amended to read as follows:

- 432B.3905 1. An employee of an agency which provides child welfare services or its designee, an agent or officer of a law enforcement agency, an officer of a local juvenile probation department or the local department of juvenile services or any other person who places a child in protective custody pursuant to this chapter:
- (a) Except as otherwise provided in subsection 2, shall not transfer a child who is under the age of 6 years to, or place such a child in, a child care institution unless appropriate foster care is not available at the time of placement in the county in which the child resides; and
 - (b) Shall make all reasonable efforts to place siblings in the same location.
- 2. A child under the age of 6 years may be placed in a child care institution:
- (a) If the child requires medical services and such medical services could not be provided at any other placement; or
 - (b) If necessary to avoid separating siblings . [; or
- (c) If the child is being placed in a child care institution in a county whose population is less than 100,000.]
- 3. If a child is transferred to or placed in a child care institution in violation of subsection 1, the agency which provides child welfare services that is responsible for the child shall immediately notify the Director of the Department of Health and Human Services and shall move the child to another placement as soon as possible.

- 4. The Director of the Department shall, on or before January 1 of each year, submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a written report concerning any child under the age of 6 years who was placed in a child care institution during the previous 12 months. Such a report must include, without limitation:
- (a) An explanation of the situation that required the transfer of the child to or placement of the child in a child care institution;
- (b) A summary of any actions that were taken to ensure the health, welfare and safety of the child; and
- (c) The length of time that the child was required to remain in the child care institution.
- → The Director of the Legislative Counsel Bureau shall cause such report to be made available to each Senator and member of the Assembly.
- 5. <u>Each agency which provides child welfare services shall develop and implement a written plan to ensure that the provisions of this section are understood and carried out.</u>
 - **6.** As used in this section, "child care institution":
 - (a) Means any type of home or facility that:
- (1) Provides care and shelter during the day and night to 16 or more children who are in protective custody of an agency which provides child welfare services; or
- (2) Provides care and shelter during the day and night, through the use of caregivers who work in shifts, to children who are in protective custody of an agency which provides child welfare services.
- (b) Does not include a home or facility that provides medical services to children.

Senator Copening moved the adoption of the amendment.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Amendment No. 36 revises the provisions to Senate Bill No. 111 by requiring each agency that provides child welfare services to develop and implement a written plan to ensure that the provisions and exceptions for placement of children in protective custody into a child care institution are understood and carried out.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 136.

Bill read second time.

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

Amendment No. 149.

"SUMMARY—Revises provisions governing certain real property held by banks. (BDR 55-737)"

"AN ACT relating to financial institutions; <u>revising provisions governing</u> the period that a bank may hold certain real property; removing

provisions requiring a bank annually to charge off a certain percentage of the value of certain real property held by the bank and acquired as a result of a debt owed to the bank; and providing other matters properly relating thereto." **Legislative Counsel's Digest:**

Existing law authorizes a bank to hold real property that the bank acquires through the collection of debts owed to it for up to 10 years [-A], and this bill reduces that period to 5 years, except that a bank may request an extension of that period from the Commissioner of Financial Institutions of not more than 5 years. Existing law also requires a bank [is required] to charge off the real property on a schedule of not less than 10 percent per year, or at a greater percentage if so required by the Commissioner. [of Financial Institutions.] (NRS 662.015) This bill removes the requirement that a bank annually charge off a certain percentage of the value of such real property.

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

Section 1. NRS 662.015 is hereby amended to read as follows:

- 662.015 1. In addition to the powers conferred by law upon private corporations and limited-liability companies, a bank may:
- (a) Exercise by its board of directors, managers or authorized officers and agents, subject to law, all powers necessary to carry on the business of banking by:
- (1) Discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of indebtedness;
 - (2) Receiving deposits;
 - (3) Buying and selling exchange, coin and bullion; and
 - (4) Loaning money on personal security or real and personal property.
- → At the time of making loans, banks may take and receive interest or discounts in advance.
- (b) Adopt regulations for its own government not inconsistent with the Constitution and laws of this State.
- (c) Issue, advise and confirm letters of credit authorizing the beneficiaries to draw upon the bank or its correspondents.
 - (d) Receive money for transmission.
- (e) Establish and become a member of a clearinghouse association and pledge assets required for its qualification.
- (f) Exercise any authority and perform all acts that a national bank may exercise or perform, with the consent and written approval of the Commissioner. The Commissioner may, by regulation, waive or modify a requirement of Nevada law if the corresponding requirement for national banks is eliminated or modified.
- (g) Provide for the performance of the services of a bank service corporation, such as data processing and bookkeeping, subject to any regulations adopted by the Commissioner.

- (h) Unless otherwise specifically prohibited by federal law, sell annuities if licensed by the Commissioner of Insurance.
 - 2. A bank may purchase, hold and convey real property:
- (a) As is necessary for the convenient transaction of its business, including furniture and fixtures, with its banking offices and for future site expansion. This investment must not exceed, except as otherwise provided in this section, 60 percent of its stockholders' or members' equity, plus subordinated capital notes and debentures. The Commissioner may authorize any bank located in a city whose population is more than 10,000 to invest more than 60 percent of its stockholders' or members' equity, plus subordinated capital notes and debentures, in its banking offices, furniture and fixtures.
- (b) As is mortgaged to it in good faith by way of security for loans made or money due to the bank.
 - (c) As is permitted by NRS 662.103.
- 3. This section does not prohibit any bank from holding, developing or disposing of any real property it may acquire through the collection of debts due it. [Any] Except as otherwise provided in subsection 4, real property acquired through the collection of debts due it may not be held for longer than [10] 5 years. It must be sold at private or public sale within 30 days thereafter. [During the time that the bank holds the real property, the bank shall charge off the real property on a schedule of not less than 10 percent per year, or at a greater percentage per year as the Commissioner may require.]
- 4. A bank may request and the Commissioner may grant an extension of the period described in subsection 3 of not more than 5 years. The Commissioner shall not grant a bank more than one extension of the period prescribed in subsection 3 for any real property held by the bank.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Senator Settelmeyer requested that his remarks be entered in the Journal.

Amendment No. 149 to Senate Bill No. 136 prohibits a bank that acquires real property through the collection of debts from holding the property for longer than five years.

The amendment permits a bank to request the Commissioner of Financial Institutions to grant an extension of not more than five additional years. However, only one such extension may be granted.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 143.

Bill read second time.

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

Amendment No. 95.

"SUMMARY—Revises certain provisions governing insurance. (BDR 57-723)"

"AN ACT relating to insurance; removing the requirement that a resident producer of insurance maintain a place of business in this State which is accessible to the public; {providing that} revising provisions relating to a certificate of insurance issued pursuant to a contract [of insurance] or policy of property or casualty insurance; [must contain certain information; revising provisions governing verification by the Department of Motor Vehicles of required insurance coverage for certain vehicles;] and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill removes the requirement that a resident producer of insurance maintain a place of business in this State which is accessible to the public and where he or she principally conducts transactions. **Section 1** also removes the requirement that the license of a producer of insurance be conspicuously displayed in the place of business and instead requires only that the license be made available for public inspection upon request.

Section 2 of this bill amends provisions governing the Nevada Insurance Code (title 57 of NRS) to [require] provide that any certificate of insurance issued [pursuant to]] regarding a contract <a href="[pursuant to] or policy of property or casualty insurance, other than a group master policy, which is delivered or issued for delivery in this State <a href="[inelude certain provisions, including a statement that the terms set forth in the certificate of insurance are] : (1) is informational only [and do]; (2) does not constitute any part of the contract [inelude-certain provisions, including a statement that the terms set forth in the certificate of insurance are] : (1) is informational only [inelude-certain provisions, including a statement that the terms set forth in the certificate of insurance are] : (1) is informational only [inelude-certain provisions, including a statement that the terms set forth in the certificate of insurance are] : (1) is informational only [inelude-certain provisions, including a statement that the terms set forth in the certificate of insurance are] : (1) is informational only [inelude-certain provisions, including a statement that the terms set forth in the certificate of insurance are] : (1) is informational only [inelude-certain provisions, including a statement that the terms set forth in the certificate of insurance are are also a

Section 4 of this bill exempts certain commercial motor vehicles and fleet vehicles from provisions which require the Department of Motor Vehicles to verify that owners of motor vehicles maintain required insurance coverage.]: and (3) does not amend any term or alter or extend any coverage, exclusion or condition of the contract or policy of insurance.

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

Section 1. NRS 683A.261 is hereby amended to read as follows:

683A.261 1. Unless the Commissioner refuses to issue the license under NRS 683A.451, the Commissioner shall issue a license as a producer of insurance to a person who has satisfied the requirements of NRS 683A.241 and 683A.251. A producer of insurance may qualify for a license in one or more of the lines of authority permitted by statute or regulation, including:

- (a) Life insurance on human lives, which includes benefits from endowments and annuities and may include additional benefits from death by accident and benefits for dismemberment by accident and for disability.
- (b) Health insurance for sickness, bodily injury or accidental death, which may include benefits for disability.
- (c) Property insurance for direct or consequential loss or damage to property of every kind.

- (d) Casualty insurance against legal liability, including liability for death, injury or disability and damage to real or personal property.
- (e) Surety indemnifying financial institutions or providing bonds for fidelity, performance of contracts or financial guaranty.
- (f) Variable annuities and variable life insurance, including coverage reflecting the results of a separate investment account.
- (g) Credit insurance, including life, disability, property, unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed protection of assets, and any other form of insurance offered in connection with an extension of credit that is limited to wholly or partially extinguishing the obligation which the Commissioner determines should be considered as limited-line credit insurance.
- (h) Personal lines, consisting of automobile and motorcycle insurance and residential property insurance, including coverage for flood, of personal watercraft and of excess liability, written over one or more underlying policies of automobile or residential property insurance.
 - (i) Fixed annuities as a limited line.
 - (j) Travel and baggage as a limited line.
 - (k) Rental car agency as a limited line.
- (l) Continuous care coverage, which includes health insurance, as set forth in paragraph (b), and may include insurance for workers' compensation.
- 2. A license as a producer of insurance remains in effect unless revoked, suspended or otherwise terminated if a request for a renewal is submitted on or before the date for the renewal specified on the license, all applicable fees for renewal and a fee established by the Commissioner of not more than \$15 for deposit in the Insurance Recovery Account are paid for each license and each authorization to transact business on behalf of a business organization licensed pursuant to subsection 2 of NRS 683A.251, and any requirement for education or any other requirement to renew the license is satisfied by the date specified on the license for the renewal. A producer of insurance may submit a request for a renewal of his or her license within 30 days after the date specified on the license for the renewal if the producer of insurance otherwise complies with the provisions of this subsection and pays, in addition to any fee paid pursuant to this subsection, a penalty of 50 percent of all applicable renewal fees, except for any fee required pursuant to NRS 680C.110. A license as a producer of insurance expires if the Commissioner receives a request for a renewal of the license more than 30 days after the date specified on the license for the renewal. A fee paid pursuant to this subsection is nonrefundable.
- 3. A natural person who allows his or her license as a producer of insurance to expire may reapply for the same license within 12 months after the date specified on the license for a renewal without passing a written examination or completing a course of study required by paragraph (c) of subsection 1 of NRS 683A.251, but a penalty of twice all applicable renewal fees, except for any fee required pursuant to NRS 680C.110, is required for

any request for a renewal of the license that is received after the date specified on the license for the renewal.

- 4. A licensed producer of insurance who is unable to renew his or her license because of military service, extended medical disability or other extenuating circumstance may request a waiver of the time limit and of any fine or sanction otherwise required or imposed because of the failure to renew.
- 5. A license must state the licensee's name, address, personal identification number, the date of issuance, the lines of authority and the date of expiration and must contain any other information the Commissioner considers necessary. [A resident producer of insurance shall maintain a place of business in this State which is accessible to the public and where the resident producer of insurance principally conducts transactions under his or her license. The place of business may be in his or her residence.] The license must be [conspicuously displayed in an area of the place of business which is open to the public.] made available for public inspection upon request.
- 6. A licensee shall inform the Commissioner of [each change of location from which the licensee conducts business as a producer of insurance and] each change of business or residence address, in writing or by other means acceptable to the Commissioner, within 30 days after the change. If a licensee changes [the location from which the licensee conducts business as a producer of insurance or] his or her business or residence address without giving written notice and the Commissioner is unable to locate the licensee after diligent effort, the Commissioner may revoke the license without a hearing. The mailing of a letter by certified mail, return receipt requested, addressed to the licensee at his or her last mailing address appearing on the records of the Division, and the return of the letter undelivered, constitutes a diligent effort by the Commissioner.
- **Sec. 2.** Chapter 687B of NRS is hereby amended by adding thereto a new section to read as follows:
- A certificate of insurance issued [pursuant to] regarding a contract [of insurance] or policy of <u>property or casualty</u> insurance, other than a group <u>master policy</u>, which is delivered or issued for delivery in this State [must include, without limitation:
- 1. A description of the principal benefits and coverage provided by the contract of insurance or policy of insurance;
- 2. A statement of the principal exclusions, reductions and limitations contained in the contract of insurance or policy of insurance: and
- 3. A statement that the terms set forth in the certificate of insurance are
- 1. Is informational only [and do];
- <u>2. Does not constitute any part of the contract $\{of insurance\}$ or policy of insurance $\{f, f\}$; and</u>
- 3. Does not amend any term or alter or extend any coverage, exclusion or condition of the contract or policy of insurance.

Sec. 3. [NRS 695B.320 is hereby amended to read as follows:

695B.320 Nonprofit hospital and medical or dental service corporations are subject to the provisions of this chapter, and to the provisions of chapters 679A and 679B of NRS, NRS 686A.010 to 686A.315, inclusive, 687B.010 to 687B.040, inclusive, 687B.070 to 687B.140, inclusive, and section 2 of this act, 687B.150, 687B.160, 687B.180, 687B.200 to 687B.255, inclusive, 687B.270, 687B.310 to 687B.380, inclusive, 687B.410, 687B.420, 687B.430, and chapters 692C and 696B of NRS, to the extent applicable and not in conflict with the express provisions of this chapter.] (Deleted by amendment.)

- Sec. 4. [NRS 485.313 is hereby amended to read as follows:
- 485.313 1. The Department
- (a) Shall, in cooperation with insurers, create a system for verifying through the secure transmission and receipt of information that the owners of motor vehicles maintain the insurance required by NRS 485.185; and
- (b) May enter into a contract with any person to provide services relating to the system.
- 2. The Director shall adopt regulations to carry out the provisions of this section. [, including, without limitation, regulations for verifying that registered owners described in paragraph (b) of subsection 5 of NRS 482.215 maintain the insurance required by NRS 485.185.]
 - As used in this section, "motor vehicle" [:
 - (a) Does does not include [, except]:
- (a) Except as otherwise provided in subsection 1 of NRS 482.398, a golf eart as that term is defined in NRS 482.044.
 - (b)-Includes, without limitation:
- (1)]—A motortruck, truck-tractor, bus or other vehicle that is registered pursuant to paragraph (e) of subsection 1 of NRS 482.482 or NRS 706.801 to 706.861 inclusive.
- [(2)]-(c) A vehicle that is registered as part of a fleet of vehicles and described in paragraph (b) of subsection 5 of NRS 482.215.] (Deleted by amendment.)
 - **Sec. 5.** This act becomes effective on July 1, 2011.

Senator Copening moved the adoption of the amendment.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Amendment No. 95 to Senate Bill No.143 amends the provisions relating to a certificate of insurance to limit them to policies of property or casualty insurance, other than a group master policy. The certificate is informational only and does not amend any term or alter or extend any coverage, exclusion or condition of the contract or policy of insurance.

The amendment deletes the provisions specifying what information the certificate must contain.

Finally, the amendment deletes all provisions regarding the motor vehicle insurance verification system.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 152.

Bill read second time.

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

Amendment No. 94.

"SUMMARY—Revises provisions governing insurance adjusters. (BDR 57-939)"

"AN ACT relating to insurance; revising provisions governing insurance adjusters; exempting certain persons from provisions of the Nevada Insurance Adjusters Law governing the licensing and regulation of adjusters; authorizing the Commissioner of Insurance to issue a license as an adjuster to a resident of Canada under certain circumstances; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

The Nevada Insurance Adjusters Law governs the licensing of adjusters and the regulation of their conduct. (NRS 684A.010-684A.260) The Nevada Insurance Adjusters Law defines "adjuster," "independent adjuster," "public adjuster" and "associate adjuster" for purposes of the Nevada Insurance Code. (NRS 684A.020, 684A.030) The Nevada Insurance Adjusters Law is applicable only to persons who satisfy the statutory definition of adjuster, but not to persons who adjust or settle claims relating to life insurance, health insurance or annuities. (NRS 684A.010)

Section 2 of this bill exempts certain persons from the provisions governing the licensing and regulation of adjusters by specifically providing that such persons are not considered adjusters for purposes of the Code. **Section 2** provides that the following persons are not considered adjusters: (1) [officers, directors or managers of an insurer; (2)] certain employees of an independent adjuster or an affiliate of an independent adjuster who collect information relating to a claim [er] and conduct data entry; (2) licensed agents who supervise certain employees of an independent adjuster or an affiliate of an independent adjuster; (3) persons employed only to collect factual information concerning a claim for coverage arising under an insurance contract: (4) persons employed only to provide technical assistance to an independent adjuster; (5) persons employed to investigate suspected fraudulent claims for coverage arising under an insurance contract but who do not adjust losses or determine the payment of claims; (6) persons who perform only executive, administrative, managerial or clerical duties, or any combination thereof, but do not investigate or settle claims for coverage arising under an insurance contract; (7) licensed health care providers or any employees thereof who provide managed care services if those services do not include the determination of compensability; (8) managed care organizations or any employees thereof or organizations that provide managed care services or any employees thereof if the services provided do not include the determination of compensability; (9) persons who settle only [claims for coverage for] reinsurance or subrogation [arising under an insurance contract;] claims; (10) brokers, agents or representatives of risk retention groups; (11) attorneys-in-fact of reciprocal insurers; and (12) managers of branch offices of alien insurers that are located in the United States. [; (13) persons who investigate, negotiate or settle claims relating to accident or disability insurance claims; and (14) salaried employees of a self-insured who adjust claims arising under insurance contracts only on behalf of the self-insured.

Section 3 of this bill revises the definition of "independent adjuster" to mean an adjuster who, for compensation as an independent contractor, enters into a contract with an insurer or a self-insurer to investigate or settle claims for the insurer or self-insurer arising under insurance contracts for property or casualty coverage or coverage that relates to a claim for workers' compensation insurance.]

Section 5 of this bill authorizes the Commissioner of Insurance to issue a license as an adjuster to a resident of Canada who is otherwise qualified for licensure and who adjusts and pays claims on business written in Nevada. Sections 6 and 7 of this bill exempt a resident of Canada from certain requirements relating to licensure as an adjuster. A resident of Canada who applies for licensure as an adjuster is required to pay certain fees for the issuance or renewal of such a license. (NRS 680B.010, 680C.110, 684A.090, 684A.130, 684A.160)

Section 6 also revises provisions concerning applications for licensure submitted by an applicant that is a firm or corporation rather than a natural person.

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

Section 1. Chapter 684A of NRS is hereby amended by adding thereto a new section to read as follows:

As used in this Code, "automated claims adjudication system" means a preprogrammed computer system which fis designed:

- 1. Is designed for the collection, data entry, calculation and final resolution of claims arising under an insurance contract for [property] portable electronic insurance coverage [-];
- 2. Is used by a licensed adjuster, licensed agent or person supervised by a licensed adjuster or licensed agent; and
- 3. Complies with the requirements of this Code concerning the payment of claims.
 - **Sec. 2.** NRS 684A.020 is hereby amended to read as follows:
- 684A.020 1. [As] Except as otherwise provided in subsection 2, as used in this Code, "adjuster" means any person who, for compensation as an independent contractor or for a fee or commission, investigates and settles, and reports to his or her principal relative to, claims:

- (a) Arising under insurance contracts for property, casualty or surety coverage, on behalf solely of the insurer or the insured; or
- (b) Against a self-insurer who is providing similar coverage, unless the coverage provided relates to a claim for industrial insurance.
 - 2. For the purposes of this chapter:
 - (a) An associate adjuster, as defined in NRS 684A.030;
- (b) An attorney at law who adjusts insurance losses from time to time incidental to the practice of his or her profession;
 - (c) An adjuster of ocean marine losses;
- (d) A [An officer, director, manager or] salaried employee of an insurer; for]
- (e) A salaried employee of a managing general agent maintaining an underwriting office in this state $\frac{1}{12}$;
- (f) An employee of an independent adjuster or an employee of an affiliate of an independent adjuster who is one of not more than 25 such employees under the supervision of an independent adjuster or licensed agent and who:
- (1) Collects information relating to a claim for coverage arising under an insurance contract from or furnishes such information to an insured or a claimant; [or] and
- (2) Conducts data entry, including, without limitation, entering data into an automated claims adjudication system;
- (g) <u>A licensed agent who supervises not more than 25 employees</u> described in paragraph (f);
- (h) A person who is employed only to collect factual information concerning a claim for coverage arising under an insurance contract;
- $\frac{\{(h)\}\}}{(i)}$ A person who is employed only to provide technical assistance to an independent adjuster;
- [(i)] A person who is employed to investigate suspected fraudulent claims for coverage arising under an insurance contract but who does not adjust losses or determine the payment of claims;
- [(i)] (k) A person who performs only executive, administrative, managerial or clerical duties, or any combination thereof, but does not investigate or settle claims for coverage arising under an insurance contract:
- [(k)] (1) A licensed health care provider or any employee thereof who provides managed care services if those services do not include the determination of compensability;
- f(+)f (m) A managed care organization or any employee thereof or an organization that provides managed care services or any employee thereof if the services provided do not include the determination of compensability;
- $\frac{f(m)f(n)}{f(n)}$ A person who settles only $\frac{f(n)f(n)}{f(n)}$ reinsurance or subrogation $\frac{f(n)f(n)}{f(n)}$ reinsurance contract;

(n)] claims;

(o) A broker, agent or representative of a risk retention group;

 $\frac{\{(o)\}}{(p)}$ (p) An attorney-in-fact of a reciprocal insurer; $\frac{\{(p)\}}{(p)}$ or

- $\underline{(q)}$ A manager of a branch office of an alien insurer that is located in the United States , f:
- (q) A person who investigates, negotiates or settles claims relating to accident or disability insurance claims; or
- (r) A salaried employee of a self-insured who adjusts claims arising under insurance contracts only on behalf of the self-insured,]
- → is not considered an adjuster.

Sec. 3. [NRS 684A.030 is hereby amended to read as follows:

- 1. "Independent adjuster" means an adjuster [representing the interests of] who, for compensation as an independent contractor, enters into a contract with an insurer or a self-insurer [.] to investigate or settle claims for the insurer or self-insurer arising under insurance contracts for property or casualty coverage or coverage that relates to a claim for workers' compensation insurance.
- 2. "Public adjuster" means an adjuster employed by and representing solely the financial interests of the insured named in the policy.
- 3. "Associate adjuster" means an employee of an adjuster who, under the direct supervision of the adjuster, assists in the investigation and settlement of insurance losses on behalf of his or her employer.] (Deleted by amendment.)
 - Sec. 4. [NRS 684A.060 is hereby amended to read as follows:
- 684A.060 1. On behalf of, as authorized by, an insurer as to which he or she is licensed as an agent under chapter 683A of NRS, an agent [may from time to time] :
- (a) Except as otherwise provided in paragraph (b), may act as an adjuster without a license as an adjuster. [; but no such agent shall]
- (b) Shall not act as an adjuster for an insurer with which the agent has a contract providing for compensation retrospectively contingent upon losses incurred under insurance sold or serviced by the agent.
- 2. No license [shall be] is required of a nonresident salaried adjuster or independent adjuster for the adjustment in this state of one or more losses arising out of a catastrophe common to all such losses where such losses are designated to be a catastrophe by responsible insurance associations or the Commissioner.] (Deleted by amendment.)

Sec. 5. NRS 684A.070 is hereby amended to read as follows:

- 684A.070 1. For the protection of the people of this State, the Commissioner may not issue or continue any license as an adjuster except in compliance with the provisions of this chapter. Any person for whom a license is issued or continued must:
 - (a) Be at least 18 years of age;

- (b) Except as otherwise provided in subsection 2, be a resident of this State, and have resided therein for at least 90 days before his or her application for the license;
- (c) Be competent, trustworthy, financially responsible and of good reputation;
- (d) Never have been convicted of, or entered a plea of guilty, guilty but mentally ill or nolo contendere to, forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any crime involving moral turpitude;
- (e) Have had at least 2 years' recent experience with respect to the handling of loss claims of sufficient character reasonably to enable the person to fulfill the responsibilities of an adjuster;
 - (f) Pass all examinations required under this chapter; and
- (g) Not be concurrently licensed as a producer of insurance for property, casualty or surety or a surplus lines broker, except as a bail agent.
- 2. The Commissioner may waive the residency requirement set forth in paragraph (b) of subsection 1 if the applicant is:
- (a) An adjuster licensed under the laws of another state who has been brought to this State by a firm or corporation with whom the adjuster is employed that is licensed as an adjuster in this State to fill a vacancy in the firm or corporation in this State;
- (b) An adjuster licensed in an adjoining state whose principal place of business is located within 50 miles from the boundary of this State; [orl]

(c) <u>A resident of Canada who adjusts and pays claims on business</u> written in this State; or

- (d) An adjuster who is applying for a limited license pursuant to NRS 684A 155.
- 3. A conviction of, or plea of guilty, guilty but mentally ill or nolo contendere by, an applicant or licensee for any crime listed in paragraph (d) of subsection 1 is a sufficient ground for the Commissioner to deny a license to the applicant, or to suspend, revoke or limit the license of an adjuster pursuant to NRS 684A.210.

Sec. 6. NRS 684A.090 is hereby amended to read as follows:

- 684A.090 1. The applicant for a license as an adjuster shall file a written application therefor with the Commissioner on forms prescribed and furnished by the Commissioner. As part of, or in connection with, the application, the applicant shall furnish information as to his or her identity, personal history, experience, financial responsibility, business record and other pertinent matters as reasonably required by the Commissioner to determine the applicant's eligibility and qualifications for the license.
- 2. If the applicant is a natural person [+] other than an applicant described in paragraph (c) of subsection 2 of NRS 684A.070, the application must include the social security number of the applicant.
- 3. If the applicant is a firm or corporation, the application must [also include the names of all firm members, all corporate officers and directors,

and shall designate each individual who is to exercise the license powers [1.] and must include:

- (a) The name of each member of the firm or each officer and director of the corporation;
- (b) The name of each executive officer and director who owns more than 10 percent of the outstanding voting securities of the applicant; and
- (c) The name of any other individual who owns more than 10 percent of the outstanding voting securities of the applicant.
- Each such member, officer, director and individual shall furnish information to the Commissioner as though applying for an individual license.
- 4. If the applicant is a nonresident of this state, the application must be accompanied by an appointment of the Commissioner as process agent and agreement to appear pursuant to NRS 684A.200.
- 5. The application must be accompanied by the applicable license fee as specified in NRS 680B.010 and, in addition to any other fee or charge, all applicable fees required pursuant to NRS 680C.110.
- 6. No applicant for such a license may willfully misrepresent or withhold any fact or information called for in the application form or in connection therewith. A violation of this subsection is a gross misdemeanor.

Sec. 7. NRS 684A.170 is hereby amended to read as follows:

684A.170 Except for an adjuster described in paragraph (c) of subsection 2 of NRS 684A.070:

- 1. Every adjuster shall have and maintain in this state a place of business accessible to the public and from which the licensee principally conducts transactions under his or her license. The address of such place shall appear upon the application for a license and upon the license, when issued, and the licensee shall promptly notify the Commissioner in writing of any change thereof. Nothing in this section shall prohibit the maintenance of such place in the licensee's residence in this state.
- 2. The license of the licensee and those of associate adjusters employed by the licensee shall be conspicuously displayed in such place of business in a part thereof customarily open to the public.

Senator Copening moved the adoption of the amendment.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Amendment No. 94 to Senate Bill No. 152 revises the proposed definition of "automated claims adjudication system" as well as the provisions exempting certain persons from the requirements for licensure as an adjuster.

The amendment adds new sections to the bill authorizing the Commissioner of Insurance to issue a license as an adjuster to a resident of Canada, under certain conditions.

Finally, Amendment No. 94 revises provisions concerning applications for licensure submitted by an applicant that is a firm or corporation rather than a natural person.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 153.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 48.

"SUMMARY—Revises provisions governing the appropriation of water by municipalities. (BDR 48-821)"

"AN ACT relating to water; Idealaring the appropriation of certain water by a municipality or public utility to serve the present and reasonably anticipated future municipal, industrial or domestic needs of the municipality or public utility to be a beneficial use of that water; providing that certain provisions governing consideration by the State Engineer of the consumptive use of a water right do not apply to an application to appropriate water filed by a municipality under certain circumstances; revising the period [within] for which the State Engineer may grant an extension of time to complete an application of water for a feertain municipal or quasi-municipal use; must be made; setting forth the measure of reasonable diligence for determining whether a municipality is proceeding with good faith and reasonable diligence to perfect an appropriation of water for a beneficial use; revising the provisions which must be included in certain statements filed with the State Engineer concerning the application of water for municipal or quasi municipal use; requiring the State Engineer to issue a certificate for a partially perfected application under certain circumstances;} and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides that, subject to existing rights, all water in this State may be appropriated for a beneficial use. Existing law specifically declares that certain uses of water are beneficial uses of that water. (NRS 533.030) Section 3 of this bill declares that the appropriation of water by a municipality or public utility to serve the needs of the customers of the municipality or public utility is a beneficial use of that water.

Existing law authorizes the State Engineer to consider the consumptive use of a water right in determining whether a proposed change in the place of diversion, manner of use or place of use of appropriated water is in compliance with certain requirements governing the appropriation of that water. (NRS 533.3703) Section 4 of this bill exempts from such consideration certain applications filed by a municipality for a change in the place or diversion, manner of use or place of use of appropriated water.]

Existing law requires the State Engineer, when endorsing an application for a permit to appropriate water for a municipal or quasi-municipal use on certain land, to establish a period of not less than 5 years within which the complete application of water to that use must be made. Existing law also authorizes the State Engineer to grant any number of extensions of time to complete that application but limits each single extension of time to 5 years or less. (NRS 533.380) [Section 5 of this bill expands that period

from not less than 5 years to not less than 15 years or more than 50 years. Section 5 also This bill revises the period for which the State Engineer may grant an extension of time to complete that application from 5 years to 10 years. [and revises the factors that the State Engineer must consider when granting or denying such an extension of time.

Existing law requires the holder of a permit to appropriate water for a beneficial use to proceed in good faith and with reasonable diligence to perfect the appropriation. (NRS 533.395) Section 6 of this bill specifies that a municipality may show that it is proceeding in good faith and with reasonable diligence by the adoption of a master plan or a plan approved by the State Engineer which includes the development of the complete application of the water to a beneficial use and a duty to meet the present and reasonably anticipated future needs of the customers of the municipality.

Existing law requires a holder of a permit to appropriate water for a beneficial use to file a statement with the State Engineer, on or before the date endorsed on the permit, which includes certain information concerning the holder and the use of the water. (NRS 533.400) Section 7 of this bill provides that, for a municipality, if the amount of water beneficially used for a municipal or quasi municipal purpose is less than the amount endorsed on the permit, the statement must indicate whether the remaining portion of the water is being considered under an extension for future development to meet the reasonably anticipated future needs of the municipality's customers for water.

Existing law requires the State Engineer to issue a certificate to a holder of a permit to appropriate water for a beneficial use if the State Engineer determines that the holder has perfected his or her application to appropriate water or to change the place of diversion, manner of use or place of use of water already appropriated. (NRS 533.425) Section 8 of this bill requires the State Engineer to issue such a certificate to a municipality if the municipality proceeds in good faith and reasonable diligence to perfect the remainder of the application.

The provisions of chapter 534 of NRS govern the appropriation of underground water in this State. (NRS 534.020) Existing law governing the use of underground water generally provides that the failure for 5 successive years on the part of the holder of a right to appropriate underground water for a beneficial use works a forfeiture of that right. Existing law also confers upon the State Engineer the authority to grant an extension of time if requested by the holder. A single extension of time for that purpose must not exceed 1 year. (NRS 534.090) Section 11 of this bill provides that, for any municipal or quasi-municipal use for a public water system, the State Engineer may grant any number of extensions of time for any number of years if requested and for good cause shown. Section 11 also provides that a municipality may avoid a forfeiture by perfecting at least 25 percent of its

application without losing its priority of right or without cancellation of any portion of its permit.

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:

"Planning horizon" means the length of time that the State Engineer determines to be reasonable for a municipality to hold a water right to serve the reasonably anticipated future municipal needs of its customers for water, as determined in accordance with a master plan adopted pursuant to chapter 278 of NRS or a plan approved by the State Engineer.] (Deleted by amendment.)

- Sec. 2. INRS 533.005 is hereby amended to read as follows:
- 533.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 533.007 to 533.023, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)
 - Sec. 3. [NRS 533.030] is hereby amended to read as follows:
- 533.030—1. Subject to existing rights, and except as otherwise provided in this section, all water may be appropriated for beneficial use as provided in this chapter and not otherwise.
- 2. The use of water, from any stream system as provided in this chapter and from underground water as provided in NRS 534.080, for any recreational purpose, or the use of water from the Muddy River or the Virgin River to create any developed shortage supply or intentionally created surplus, is hereby declared to be a beneficial use. As used in this subsection:
- (a) "Developed shortage supply" has the meaning ascribed to it in Volume 73 of the Federal Register at page 19,884, April 11, 2008, and any subsequent amendment thereto.
- (b) "Intentionally created surplus" has the meaning ascribed to it in Volume 73 of the Federal Register at page 19,884, April 11, 2008, and any subsequent amendment thereto.
- 3. The appropriation of water or the acquisition or lease of water already appropriated from any:
 - (a) Stream system as provided in this chapter; or
 - (b) Underground water as provided in NRS 534.080.
- → by a municipality or public utility, as defined in NRS 704.020, to serve the present and reasonably anticipated future municipal, industrial or domestic needs of the customers of the municipality or public utility is hereby declared to be a beneficial use.
- 4. Except as otherwise provided in subsection-[4,]-5, in any county whose population is 400,000 or more:
- (a) The board of county commissioners may prohibit or restrict by ordinance the use of water and effluent for recreational purposes in any

artificially created lake or stream located within the unincorporated areas of the county.

- (b) The governing body of a city may prohibit or restrict by ordinance the use of water and effluent for recreational purposes in any artificially created lake or stream located within the boundaries of the city.
- [4.] 5. In any county whose population is 400,000 or more, the provisions of subsection 1 and of any ordinance adopted pursuant to subsection [3] 4 do not apply to:
- (a) Water stored in an artificially created reservoir for use in flood control in meeting peak water demands or for purposes relating to the treatment of sewage;
 - (b) Water used in a mining reelamation project; or
- (e) A body of water located in a recreational facility that is open to the public and owned or operated by the United States or the State of Nevada.] (Deleted by amendment.)
 - 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 of subsection 5 of NRS 533.370.
 - 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.
- (e) Do not apply to an application filed by a municipality for a change in the place of diversion, manner of use or place of use if the application is filed within the time set by the State Engineer for the municipality to apply the water to a municipal or quasi municipal use or within any extension of time granted by the State Engineer for that purpose.] (Deleted by amendment.)
 - **Sec. 5.** NRS 533.380 is hereby amended to read as follows:
- 533.380 1. Except as otherwise provided in subsection 5, in an endorsement of approval upon any application, the State Engineer shall:
- (a) Set a time before which the construction of the work must be completed, which must be within 5 years after the date of approval.
- (b) Except as otherwise provided in this paragraph, set a time before which the complete application of water to a beneficial use must be made, which must not exceed 10 years after the date of the approval. The time set under this paragraph respecting an application for a permit to apply water to a municipal or quasi-municipal use on any land:
- (1) For which a final subdivision map has been recorded pursuant to chapter 278 of NRS;

- (2) For which a plan for the development of a project has been approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or
- (3) On any land for which a plan for the development of a planned unit development has been recorded pursuant to chapter 278A of NRS . f: or
- (4) For which a municipality has a plan approved by the State Engineer for the management of the water resources on the land and for analyzing the present usage needs and reasonably anticipated future needs of its customers for water,]
- → must not be less than [5] [15] 10 years . for more than 50 years.]
- 2. The State Engineer may limit the applicant to a smaller quantity of water, to a shorter time for the completion of work, and, except as otherwise provided in paragraph (b) of subsection 1, to a shorter time for the perfecting of the application than named in the application.
- 3. Except as otherwise provided in subsection 4 and NRS 533.395 and 533.4377, the State Engineer may, for good cause shown, grant any number of extensions of time within which construction work must be completed, or water must be applied to a beneficial use under any permit therefor issued by the State Engineer, but a single extension of time for a municipal or quasi-municipal use for a public water system, as defined in NRS 445A.235, must not exceed [5] [15] [10] years, and any other single extension of time must not exceed 1 year. An application for the extension must in all cases be:
- (a) Made within 30 days following notice by registered or certified mail that proof of the work is due as provided for in NRS 533.390 and 533.410; and
- (b) Accompanied by proof and evidence of the reasonable diligence with which the applicant is pursuing the perfection of the application.
- → The State Engineer shall not grant an extension of time unless the State Engineer determines from the proof and evidence so submitted that the applicant is proceeding in good faith and with reasonable diligence to perfect the application. The failure to provide the proof and evidence required pursuant to this subsection is prima facie evidence that the holder is not proceeding in good faith and with reasonable diligence to perfect the application.
- 4. Except as otherwise provided in subsection 5 and NRS 533.395, whenever the holder of a permit issued for any municipal or quasi-municipal use of water on any land referred to in paragraph (b) of subsection 1, or for any use which may be served by a county, city, town, public water district or public water company, requests an extension of time to apply the water to a beneficial use, the State Engineer shall, in determining whether to grant or deny the extension, consider, among other factors:
- (a) Whether the holder has shown good cause for not having made a complete application of the water to a beneficial use;
- (b) The number of parcels and commercial or residential units which are contained in or planned for the land being developed or the area being served by the county, city, town, public water district or public water company;

- (c) Any economic conditions which affect the ability of the holder to make a complete application of the water to a beneficial use;
- (d) Any delays in the development of the land or the area being served by the county, city, town, public water district or public water company which were caused by unanticipated natural conditions; and
 - (e) The extent to which the holder has perfected the application;
- (f) The planning horizon for the holder, the reasonably anticipated future needs of the customers of the holder for water and the service area for which the holder is authorized or obligated to provide water; and
 - (g) The period contemplated in the:
- (1) Plan for the development of a project approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or
- (2) Plan for the development of a planned unit development recorded pursuant to chapter 278A of NRS,
- if any, for completing the development of the land.
- 5. The provisions of subsections 1 and 4 do not apply to an environmental permit.
- 6. For the purposes of this section, the measure of reasonable diligence is the steady application of effort to perfect the application in a reasonably expedient and efficient manner under all the facts and circumstances. When a project or integrated system is composed of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system.

Sec. 6. INRS 533.395 is hereby amended to read as follows:

- 533.395—1. If, at any time in the judgment of the State Engineer, the holder of any permit to appropriate the public water is not proceeding in good faith and with reasonable diligence to perfect the appropriation, the State Engineer shall require the submission of such proof and evidence as may be necessary to show a compliance with the law. If, in the judgment of the State Engineer, the holder of a permit is not proceeding in good faith and with reasonable diligence to perfect the appropriation, the State Engineer shall cancel the permit, and advise the holder of its cancellation. The failure to provide the proof and evidence required pursuant to this subsection is prima facic evidence that the holder is not proceeding in good faith and with reasonable diligence to perfect the appropriation.
- 2. If any permit is cancelled under the provisions of this section or NRS 533.390 or 533.410, the holder of the permit may within 60 days [of] after the cancellation of the permit file a written petition with the State Engineer requesting a review of the cancellation by the State Engineer at a public hearing. The State Engineer may, after receiving and considering evidence, affirm, modify or reseind the cancellation.
- 3. If the decision of the State Engineer modifies or rescinds the cancellation of a permit, the effective date of the appropriation under the

permit is vacated and replaced by the date of the filing of the written petition with the State Engineer.

- 4. The cancellation of a permit may not be reviewed or be the subject of any judicial proceedings unless a written petition for review has been filed and the cancellation has been affirmed, modified or reseinded pursuant to subsection 2.
- 5. For the purposes of this section, the measure of reasonable diligence [is]:
- (a) Except as otherwise provided in paragraph (b), is the steady application of effort to perfect the appropriation in a reasonably expedient and efficient manner under all the facts and circumstances. When a project or integrated system is comprised of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system.
- (b) For a municipality is the adoption of a master plan pursuant to chapter 278 of NRS or a plan approved by the State Engineer which includes the development of the complete application of water on the permit to beneficial use and a duty to meet the present and reasonably anticipated future needs of the customers in the service area for which the municipality is authorized or obligated to provide water.
- 6. The appropriation of water or the acquisition or lease of appropriated water from any:
 - (a) Stream system as provided for in this chapter; or
- (b) Underground water as provided for in NRS 534 080
- → by a political subdivision of this State or a public utility, as defined in NRS 704.020, to serve the present or the reasonably anticipated future municipal, industrial or domestic needs of its customers for water, as determined in accordance with a master plan adopted pursuant to chapter 278 of NRS or a plan approved by the State Engineer, must be considered when reviewing an extension of time.] (Deleted by amendment.)
 - Sec. 7. [NRS 533.400 is hereby amended to read as follows:
- 533.400—1. Except as otherwise provided in subsection 2, on or before the date set in the endorsement of a permit for the application of water to beneficial use, or on the date set by the State Engineer under a proper application for extension therefor, any person holding a permit from the State Engineer to appropriate the public waters of the State of Nevada, to change the place of diversion or the manner or place of use, shall file with the State Engineer a statement under oath, on a form prescribed by the State Engineer. The statement must include:
 - (a) The name and post office address of the person making the proof.
 - (b) The number and date of the permit for which proof is made.
 - (c) The source of the water supply.
- (d) The name of the canal or other works by which the water is conducted to the place of use.

- (e) The name of the original person to whom the permit was issued.
- (f) The purpose for which the water is used.
- (g) If for irrigation, the actual number of acres of land upon which the water granted in the permit has been beneficially used, giving the same by 40-acre legal subdivisions when possible.
- (h) An actual measurement taken by a licensed state water right surveyor or an official or employee of the Office of the State Engineer of the water diverted for beneficial use.
 - (i) The capacity of the works of diversion.
- (j) If for power, the dimensions and capacity of the flume, pipe, ditch or other conduit.
- (k) The average grade and difference in elevation between the termini of any conduit.
- (1) The number of months, naming them, in which water has been beneficially used.
- (m) The amount of water beneficially used, taken from actual measurements, together with such other data as the State Engineer may require to become acquainted with the amount of the appropriation for which the proof is filed.
- (n) If for municipal or quasi-municipal use and the amount of water beneficially used is less than the amount endorsed on the permit, whether the remaining portion is being considered under an extension for future development to meet the reasonably anticipated future needs of the municipality's customers for water.
- 2. The provisions of subsection 1 do not apply to a person holding an environmental permit. (Deleted by amendment.)
 - Sec. 8. INRS 533.425 is hereby amended to read as follows:
- 533.425—1. Except as otherwise provided in NRS 533.503, as soon as practicable after satisfactory proof has been made to the State Engineer that any application to appropriate water or any application for permission to change the place of diversion, manner of use or place of use of water already appropriated has been perfected in accordance with the provisions of this chapter, the State Engineer shall issue to the holder or holders of the permit a certificate setting forth:
 - (a) The name and post office address of each holder of the permit.
 - (b) The date, source, purpose and amount of appropriation.
- (e) If for irrigation, a description of the irrigated lands by legal subdivisions, when possible, to which the water is appurtenant.
 - (d) The number of the permit under which the certificate is issued.
- 2. If the water is appropriated from an underground source, the State Engineer shall issue with the certificate a notice of the provisions governing the forfeiture and abandonment of such water rights. The notice must set forth the provisions of NRS 534.090.
- 3. If water is appropriated for a municipal or quasi-municipal use, and if the municipality has perfected at least 25 percent of the application, the State

Engineer shall issue a certificate for that portion of the permit. The municipality must proceed in good faith and with reasonable diligence to perfect the remainder of the application without losing its priority of right or cancellation of any portion of its permit.] (Deleted by amendment.)

Sec. 9. Chapter 534 of NRS is hereby amended by adding thereto a new section to read as follows:

"Public water system" has the meaning ascribed to it in NRS 445.4.235.] (Deleted by amendment.)

Sec. 10. [NRS 534.010 is hereby amended to read as follows:

534.010 I. As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 534.0105 to 534.0175, inclusive, and section 9 of this act have the meanings ascribed to them in those sections.

2. As used in this chapter, the terms "underground water" and "groundwater" are synonymous.] (Deleted by amendment.)

Sec. 11. INRS 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 vears, 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 for any use which is not a municipal or quasi-municipal use for a public water system must not exceed 1 year. For any municipal or quasi-municipal use for a public water system, the State Engineer may grant, upon request and for good cause shown, any number of extensions, for any number of years. 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:
- (e) 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 the holder has demonstrated efficient ways of using the water for agricultural purposes, such as center-pivot irrigation-[.]-; and
- (f) If the holder is a municipality, the planning horizon for the holder, the reasonably anticipated future needs of the customers of the holder for water and the service area for which the holder is authorized or obligated to provide water.
- 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.

- 5. A municipality may avoid forfeiture by perfecting at least 25 percent of its application without losing its priority of right or cancellation of any portion of its permit.
- 6. As used in this section, "planning horizon" has the meaning ascribed to it in section I of this act.] (Deleted by amendment.)
 - Sec. 12. INRS 534.350 is hereby amended to read as follows:
- 534.350—1. The State Engineer shall adopt regulations establishing a program that allows a public water system to receive credits, as provided in this section, for the addition of new customers to the system. The program must be limited to public water systems in areas:
- (a) Designated as groundwater basins by the State Engineer pursuant to the provisions of NRS 534.030; and
- (b) In which the State Engineer has denied one or more applications for any municipal uses of groundwater.
- 2. Before the State Engineer adopts any regulations pursuant to this section regarding any particular groundwater basin, the State Engineer shall hold a public hearing:
- (a) Within the basin to which the regulations will apply if adequate facilities to hold a hearing are available within that basin; or
- (b) In all other eases, within the county where the major portion of that basin lies.
- to take testimony from any interested persons regarding the proposed regulations.
- 3. Upon adoption of the regulations required by this section regarding a particular groundwater basin, a public water system which provides service in that basin is entitled to receive a credit for each customer who is added to the system after the adoption of those regulations and:
- (a) Voluntarily ceases to draw water from a domestic well located within that basin: or
- (b) Is the owner of a lot or other parcel of land, other than land used or intended solely for use as a location for a domestic well, which:
 - (1) Is located within that basin:
 - (2) Was established as a separate lot or parcel before July 1, 1993;
- (3) Was approved by a local governing body or planning commission for service by an individual domestic well before July 1, 1993; and
- (4) Is subject to a written agreement which was voluntarily entered into by the owner with the public water system pursuant to which the owner agrees not to drill a domestic well on the land and the public water system agrees that it will provide water service to the land. Any such agreement

must 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.

- 4. If a county requires, by ordinance, the dedication to the county of a right to appropriate water from a domestic well which is located on a lot or other parcel of land that was established as a separate lot or parcel on or after July 1, 1993, the county may, by relinquishment to the State Engineer, allow the right to appropriate water to revert to the source of the water. The State Engineer shall not accept a relinquishment of a right to appropriate water pursuant to this subsection unless the right is in good standing as determined by the State Engineer. A right to appropriate water that is dedicated and relinquished pursuant to this subsection:
- (a) Remains appurtenant only to the parcel of land in which it is located as specified on the parcel map; and
 - (b) Maintains its date of priority established pursuant to NRS 534.080.
- 5. If an owner of a parcel of land specified in subsection 4 becomes a new customer of a public water system for that parcel of land, the public water system is entitled to receive a credit in the same manner as the addition of any other customer to the public water system pursuant to this section.
- 6. The State Engineer may require a new customer, who voluntarily ceases to draw water from a domestic well as provided in paragraph (a) of subsection 3 or whose right to appropriate water is dedicated pursuant to subsection 4, to plug that well.
 - 7. A credit granted pursuant to this section:
- (a) Must be sufficient to enable the public water system to add one service connection for a single-family dwelling to the system, except that the credit may not exceed the increase in water consumption attributable to the additional service connection or 2 acre feet per year, whichever is less.
 - (b) May not be converted to an appropriative water right.
 - 8. This section does not:
 - (a) Require a public water system to extend its service area.
- (b) Authorize any increase in the total amount of groundwater pumped in a groundwater basin.
- (e) Affect any rights of an owner of a domestic well who does not voluntarily comply with the provisions of this section.
 - 9. As used in this section [:
- (a) "Domestic] , "domestic well" means a well used for culinary and household purposes in:
 - [(1)]-(a) A single-family dwelling; and
- [(2)] (b) An accessory dwelling unit for a single family dwelling if provided for in an applicable local ordinance.
- including the watering of a garden, lawn and domestic animals and where the draught does not exceed 2 acre feet per year.

[(b) "Public water system" has the meaning ascribed to it in NRS 445A.840.H (Deleted by amendment.)

Sec. 13. This act becomes effective on July 1, 2011.

Senator Lee moved the adoption of the amendment.

Remarks by Senator Lee.

Senator Lee requested that his remarks be entered in the Journal.

Amendment No. 48 to Senate Bill No. 153 deletes all sections of the bill in their entirety, except for Section 5, and amends Section 5 to increase, from five years to ten years, the one-time only extension of time the State Engineer may grant for construction relating to municipal or quasi-municipal uses for a public water system.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 167.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 35.

"SUMMARY—Revises provisions governing the release of certain reports of the abuse or neglect of children. (BDR 38-246)"

"AN ACT relating to the protection of children; authorizing an agency which provides child welfare services to make available reports of the abuse or neglect of children under certain circumstances; providing a penalty; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes an agency which provides child welfare services to release data or information concerning reports of the abuse or neglect of a child to certain persons. (NRS 432B.290) This bill authorizes such data and information relating to a child over whom a guardianship is sought pursuant to chapter 159 of NRS or NRS 432B.466 to 432B.468, inclusive, to be released to: (1) the court which has jurisdiction over the proceeding; (2) the person who filed **or intends to file** the petition; (3) the proposed guardian or proposed successor guardian; (4) the parent or guardian of the child; and (5) the child, if he or she is at least 14 years of age.

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

Section 1. NRS 432B.290 is hereby amended to read as follows:

432B.290 1. Except as otherwise provided in subsections 2 and 3 and NRS 432B.165, 432B.175 and 432B.513, data or information concerning reports and investigations thereof made pursuant to this chapter may be made available only to:

- (a) A physician, if the physician has before him or her a child who the physician has reasonable cause to believe has been abused or neglected;
- (b) A person authorized to place a child in protective custody, if the person has before him or her a child who the person has reasonable cause to

believe has been abused or neglected and the person requires the information to determine whether to place the child in protective custody;

- (c) An agency, including, without limitation, an agency in another jurisdiction, responsible for or authorized to undertake the care, treatment or supervision of:
 - (1) The child; or
 - (2) The person responsible for the welfare of the child;
- (d) A district attorney or other law enforcement officer who requires the information in connection with an investigation or prosecution of the abuse or neglect of a child;
- (e) [A] Except as otherwise provided in paragraph (f), a court, for in camera inspection only, unless the court determines that public disclosure of the information is necessary for the determination of an issue before it;
- (f) A court as defined in NRS 159.015 to determine whether a guardian or successor guardian of a child should be appointed pursuant to chapter 159 of NRS or NRS 432B.466 to 432B.468, inclusive;
- (g) A person engaged in bona fide research or an audit, but information identifying the subjects of a report must not be made available to the person;
 - $\{(g)\}\$ (h) The attorney and the guardian ad litem of the child;
- {(h)} (i) A person who files or intends to file a petition for the appointment of a guardian or successor guardian of a child pursuant to chapter 159 of NRS or NRS 432B.466 to 432B.468, inclusive, if the identity of the person responsible for reporting the abuse or neglect of the child to a public agency is kept confidential;
- (j) The proposed guardian or proposed successor guardian of a child over whom a guardianship is sought pursuant to chapter 159 of NRS or NRS 432B.466 to 432B.468, inclusive, if the identity of the person responsible for reporting the abuse or neglect of the child to a public agency is kept confidential;
- (k) A grand jury upon its determination that access to these records is necessary in the conduct of its official business;
- **(i)** (1) A federal, state or local governmental entity, or an agency of such an entity, that needs access to the information to carry out its legal responsibilities to protect children from abuse and neglect;
- **((i))** (m) A person or an organization that has entered into a written agreement with an agency which provides child welfare services to provide assessments or services and that has been trained to make such assessments or provide such services;
- {(k)} (n) A team organized pursuant to NRS 432B.350 for the protection of a child:
- (1) (o) A team organized pursuant to NRS 432B.405 to review the death of a child;
- [(m)] (p) A parent or legal guardian of the child and an attorney of a parent or guardian of the child, including, without limitation, the parent or guardian of a child over whom a guardianship is sought pursuant to

- chapter 159 of NRS or NRS 432B.466 to 432B.468, inclusive, if the identity of the person responsible for reporting the abuse or neglect of the child to a public agency is kept confidential;
- [(n)] (q) The child over whom a guardianship is sought pursuant to chapter 159 of NRS or NRS 432B.466 to 432B.468, inclusive, if:
 - (1) The child is 14 years of age or older; and
- (2) The identity of the person responsible for reporting the abuse or neglect of the child to a public agency is kept confidential;
 - (r) The persons who are the subject of a report;
- {(o)} (s) An agency that is authorized by law to license foster homes or facilities for children or to investigate persons applying for approval to adopt a child, if the agency has before it an application for that license or is investigating an applicant to adopt a child;
- {(p)} (t) Upon written consent of the parent, any officer of this State or a city or county thereof or Legislator authorized, by the agency or department having jurisdiction or by the Legislature, acting within its jurisdiction, to investigate the activities or programs of an agency which provides child welfare services if:
- (1) The identity of the person making the report is kept confidential; and
- (2) The officer, Legislator or a member of the family of the officer or Legislator is not the person alleged to have committed the abuse or neglect;
- {(q)} (u) The Division of Parole and Probation of the Department of Public Safety for use pursuant to NRS 176.135 in making a presentence investigation and report to the district court or pursuant to NRS 176.151 in making a general investigation and report;
- {(r)} (v) Any person who is required pursuant to NRS 432B.220 to make a report to an agency which provides child welfare services or to a law enforcement agency;
- {(s)} (w) The Rural Advisory Board to Expedite Proceedings for the Placement of Children created pursuant to NRS 432B.602 or a local advisory board to expedite proceedings for the placement of children created pursuant to NRS 432B.604:
- $\frac{\{(t)\}}{(x)}$ The panel established pursuant to NRS 432B.396 to evaluate agencies which provide child welfare services; or
 - (u) An employer in accordance with subsection 3 of NRS 432.100.
- 2. An agency investigating a report of the abuse or neglect of a child shall, upon request, provide to a person named in the report as allegedly causing the abuse or neglect of the child:
 - (a) A copy of:
- (1) Any statement made in writing to an investigator for the agency by the person named in the report as allegedly causing the abuse or neglect of the child; or

- (2) Any recording made by the agency of any statement made orally to an investigator for the agency by the person named in the report as allegedly causing the abuse or neglect of the child; or
- (b) A written summary of the allegations made against the person who is named in the report as allegedly causing the abuse or neglect of the child. The summary must not identify the person responsible for reporting the alleged abuse or neglect.
- 3. An agency which provides child welfare services shall disclose the identity of a person who makes a report or otherwise initiates an investigation pursuant to this chapter if a court, after reviewing the record in camera and determining that there is reason to believe that the person knowingly made a false report, orders the disclosure.
 - 4. Any person, except for:
 - (a) The subject of a report;
- (b) A district attorney or other law enforcement officer initiating legal proceedings; or
- (c) An employee of the Division of Parole and Probation of the Department of Public Safety making a presentence investigation and report to the district court pursuant to NRS 176.135 or making a general investigation and report pursuant to NRS 176.151,
- who is given access, pursuant to subsection 1, to information identifying the subjects of a report and who makes this information public is guilty of a misdemeanor
- 5. The Division of Child and Family Services shall adopt regulations to carry out the provisions of this section.
 - **Sec. 2.** This act becomes effective on July 1, 2011.

Senator Copening moved the adoption of the amendment.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Amendment No. 35 revises the provisions to Senate Bill No. 167 by specifying that release data or information concerning reports of the abuse or neglect of a child may be forwarded in certain circumstances to a person who intends to file a petition for the appointment of a guardian or successor guardian of a child.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 213.

Bill read second time.

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

Amendment No. 93.

"SUMMARY—Revises provisions governing the registration requirements for employee leasing companies. (BDR 53-1018)"

"AN ACT relating to employee leasing companies; revising the requirements for the issuance or renewal of a certificate of registration to

operate an employee leasing company in this State; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law requires certain applicants for the issuance or renewal of a certificate of registration to operate an employee leasing company in this State: (1) to maintain positive working capital throughout the entire period covered by certain financial statements which the applicant is required to submit with its application; or (2) if the applicant has not maintained positive working capital throughout the specified period, to provide a bond or certain other securities with a market value equaling the maximum deficiency in working capital during the specified period plus \$100,000. (NRS 616B.679) This bill instead requires an applicant for the issuance or renewal of a certificate of registration to operate an employee leasing company in this State: (1) to have positive working capital at the time the [applicant submits its financial statements submitted with an application is are prepared; or (2) if the applicant does not have positive working capital at the time [of application, the financial statements are prepared, to provide a bond or certain other securities with a market value equaling the maximum deficiency in working capital at the time lof application the financial statements are prepared plus \$100,000. This bill also requires that a financial statement which is submitted with an application be prepared not more than 13 months before the submission of the application.

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

Section 1. NRS 616B.679 is hereby amended to read as follows:

616B.679 1. Each application must include:

- (a) The applicant's name and title of his or her position with the employee leasing company.
 - (b) The applicant's age, place of birth and social security number.
 - (c) The applicant's address.
 - (d) The business address of the employee leasing company.
- (e) The business address of the registered agent of the employee leasing company, if the applicant is not the registered agent.
 - (f) If the applicant is a:
- (1) Partnership, the name of the partnership and the name, address, age, social security number and title of each partner.
- (2) Corporation, the name of the corporation and the name, address, age, social security number and title of each officer of the corporation.
 - (g) Proof of:
 - (1) Compliance with the provisions of chapter 76 of NRS.
- (2) The payment of any premiums for industrial insurance required by chapters 616A to 617, inclusive, of NRS.
- (3) The payment of contributions or payments in lieu of contributions required by chapter 612 of NRS.

- (4) Insurance coverage for any benefit plan from an insurer authorized pursuant to title 57 of NRS that is offered by the employee leasing company to its employees.
- (h) A financial statement of the applicant setting forth the financial condition of the employee leasing company. Except as otherwise provided in subsection 5, the financial statement must include, without limitation:
- (1) For an application for issuance of a certificate of registration, the most recent audited financial statement of the applicant, which must have been completed not more than 13 months before the date of application; or
- (2) For an application for renewal of a certificate of registration, an audited financial statement which must have been completed not more than 180 days after the end of the applicant's fiscal year.
 - (i) A registration or renewal fee of \$500.
 - (j) Any other information the Administrator requires.
- 2. Each application must be notarized and signed under penalty of perjury:
 - (a) If the applicant is a sole proprietorship, by the sole proprietor.
 - (b) If the applicant is a partnership, by each partner.
 - (c) If the applicant is a corporation, by each officer of the corporation.
- 3. An applicant shall submit to the Administrator any change in the information required by this section within 30 days after the change occurs. The Administrator may revoke the certificate of registration of an employee leasing company which fails to comply with the provisions of NRS 616B.670 to 616B.697, inclusive.
- 4. If an insurer cancels an employee leasing company's policy, the insurer shall immediately notify the Administrator in writing. The notice must comply with the provisions of NRS 687B.310 to 687B.355, inclusive, and must be served personally on or sent by first-class mail or electronic transmission to the Administrator.
- 5. A financial statement submitted with an application pursuant to this section must be prepared in accordance with generally accepted accounting principles, must be audited by an independent certified public accountant licensed to practice in the jurisdiction in which the accountant is located and must be without qualification as to the status of the employee leasing company as a going concern. An employee leasing company that has not had sufficient operating history to have an audited financial statement based upon at least 12 months of operating history must present financial statements reviewed by a certified public accountant covering its entire operating history. [Each] The financial [statement] statements must [H] be prepared not more than 13 months before the submission of an application and must:
- (a) Indicate that the applicant has {maintained} positive working capital, as defined by generally accepted accounting principles, {throughout the period covered by the financial statement;} at the time the {application is filed;} financial statements are prepared; or

(b) Be accompanied by a bond, irrevocable letter of credit or securities with a minimum market value equaling the <u>maximum</u> deficiency in working capital *at the time the <u>fapplication is filed</u> <u>financial statements are prepared</u> plus \$100,000. The bond, irrevocable letter of credit or securities must be held by a depository institution designated by the Administrator to secure payment by the applicant of all taxes, wages, benefits or other entitlements payable by the applicant.*

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Senator Parks requested that his remarks be entered in the Journal.

Amendment No. 93 to Senate Bill No. 213 provides that the financial statements required from certain applicants for the issuance or renewal of a certificate of registration to operate an employee leasing company must meet certain specifications. The financial statements must be prepared not more than 13 months before the submission of the application, and must either indicate that the applicant has positive working capital at the time the statements are prepared, or be accompanied by specified security with a minimum market value equaling the maximum deficiency in working capital at the time the financial statements are prepared, plus \$100,000.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 215.

Bill read second time.

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

Amendment No. 92.

"SUMMARY—Makes various changes concerning [chiropractors' assistants.] persons regulated by the Chiropractic Physicians' Board of Nevada. (BDR 54-834)"

"AN ACT relating to [chiropractors' assistants;] chiropractic; requiring the completion of certain continuing education requirements for the renewal of a certificate as a chiropractor's assistant; revising certain provisions governing the issuance and renewal of a license to practice chiropractic; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, a chiropractor's assistant may renew his or her certificate as a chiropractor's assistant by paying a fee and submitting certain information to the Chiropractic Physicians' Board of Nevada. (NRS 634.130) Section 1 of this bill additionally requires a chiropractor's assistant to complete at least 12 hours of continuing education every 2 years as a condition of the renewal of his or her certificate as a chiropractor's assistant. Section 1 also provides that courses related to lifesaving skills such as cardiopulmonary resuscitation may be included in the 12 hours of continuing education required to be completed by a chiropractor's assistant and requires the Board to determine how many hours of such course work are required. Section 1 further provides that the educational

requirement may be waived by the Board if a chiropractor's assistant is prevented by a serious or disabling illness or physical disability from completing the educational requirement.

Under existing law, a license to practice chiropractic or a certificate as a chiropractor's assistant is valid for 2 years and must be renewed before January 1 of each odd-numbered year. (NRS 634.130) Section 1 requires a license to practice chiropractic to be renewed before January 1 of each even-numbered year.

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

Section 1. NRS 634.130 is hereby amended to read as follows:

- 634.130 1. Licenses and certificates must be renewed biennially. Each person who is licensed pursuant to the provisions of this chapter must, upon the payment of the required renewal fee and the submission of all information required to complete the renewal, be granted a renewal certificate which authorizes the person to continue to practice for 2 years.
- 2. The renewal fee must be paid and all information required to complete the renewal must be submitted to the Board on or before January 1 of [each odd numbered year.]:
 - (a) Each even-numbered year for a licensee; and
- (b) Each odd-numbered year for a holder of a certificate as a chiropractor's assistant.
- 3. Except as otherwise provided in subsection [4,] 5 or 6, a licensee in active practice within this State must submit satisfactory proof to the Board that, during the 24 months immediately preceding the renewal date of the license, the licensee has attended at least 36 hours of continuing education which is approved or endorsed by the Board.
- 4. Except as otherwise provided in subsection 5 or $\frac{\{6,\}}{7}$, a holder of a certificate as a chiropractor's assistant in active practice within this State must submit satisfactory proof to the Board that, during the 24 months immediately preceding the renewal date of the certificate, the certificate holder has attended at least 12 hours of continuing education which is approved or endorsed by the Board ++ or the equivalent board of another state or jurisdiction that regulates chiropractors' assistants. The continuing education required by this subsection may include education related to lifesaving skills, including, without limitation, a course in cardiopulmonary resuscitation. The Board shall by regulation determine how many of the required 12 hours of continuing education must be course work related to such lifesaving skills. Any course of continuing education approved or endorsed by the Board or the equivalent board of another state or jurisdiction pursuant to this subsection fmust may be conducted via the Internet or in a live setting, including, without limitation, a conference, workshop or academic course of instruction. The Board shall not approve or endorse a course of continuing education which is self-directed or conducted via home study. for distance learning.]

- 5. The educational requirement of [this section] subsection 3 or 4 may be waived by the Board if the licensee or holder of a certificate as a chiropractor's assistant files with the Board a statement of a chiropractic physician, osteopathic physician or doctor of medicine certifying that the licensee or holder of a certificate as a chiropractor's assistant is suffering from a serious or disabling illness or physical disability which prevented the licensee or holder of a certificate as a chiropractor's assistant from completing the requirements for continuing education during the 24 months immediately preceding the renewal date of the license.
- [4.] 6. A licensee for holder of a certificate as a chiropractor's assistant] is not required to comply with the requirements of subsection 3 for 4, respectively.] until the first fodd-numbered even-numbered year after the year the Board issues to the licensee for certificate holder] an initial license for certificate to practice as a chiropractor for chiropractor's assistant, as applicable.] in this State.
- [5.] 7. A certificate holder is not required to comply with the requirements of subsection 4 until the first odd-numbered year after the Board issues to the certificate holder an initial certificate to practice as a chiropractor's assistant in this State.
 - 8. If a licensee fails to:
- (a) Pay the renewal fee by January 1 of an **[odd-numbered] even-numbered** year;
- (b) Submit proof of continuing education pursuant to subsection 3;
- (c) Notify the Board of a change in the location of his or her office pursuant to NRS 634.129; or
 - (d) Submit all information required to complete the renewal,
- → the license is automatically suspended and, except as otherwise provided in NRS 634.131, may be reinstated only upon the payment, by January 1 of the [even-numbered] odd-numbered year following the year in which the license was suspended, of the required fee for reinstatement in addition to the renewal fee.
- 6.1 = 9. If a holder of a certificate as a chiropractor's assistant fails to:
 - (a) Pay the renewal fee by January 1 of an odd-numbered year;
 - (b) Submit proof of continuing education pursuant to subsection 4;
- (c) Notify the Board of a change in the location of his or her office pursuant to NRS 634.129; or
- **[(e)]** (d) Submit all information required to complete the renewal,
- the certificate is automatically suspended and may be reinstated only upon the payment of the required fee for reinstatement in addition to the renewal fee.
 - Sec. 2. NRS 634.131 is hereby amended to read as follows:
- 634.131 1. If a license has been automatically suspended pursuant to the provisions of subsection $\frac{5}{77}$ 8 of NRS 634.130 and not reinstated

pursuant to the provisions of that subsection, the person who held the license may apply to the Board to have the license reinstated to active status.

- 2. An applicant to have a suspended license reinstated to active status pursuant to subsection 1 must:
 - (a) Either:
 - (1) Submit satisfactory evidence to the Board:
- (I) That the applicant has maintained an active practice in another state, territory or country within the preceding 5 years;
- (II) From all other licensing agencies which have issued the applicant a license that he or she is in good standing and has no legal actions pending against him or her; and
- (III) That the applicant has participated in a program of continuing education in accordance with NRS 634.130 for the year in which he or she seeks to be reinstated to active status; or
- (2) Score 75 percent or higher on an examination prescribed by the Board on the provisions of this chapter and the regulations adopted by the Board; and
 - (b) Pay:
- (1) The fee for the biennial renewal of a license to practice chiropractic; and
- (2) The fee for reinstating a license to practice chiropractic which has been suspended or revoked.
- 3. If any of the requirements set forth in subsection 2 are not met by an applicant for the reinstatement of a suspended license to active status, the Board, before reinstating the license of the applicant to active status:
- (a) Must hold a hearing to determine the professional competency and fitness of the applicant; and
 - (b) May require the applicant to:
- (1) Pass the Special Purposes Examination for Chiropractic prepared by the National Board of Chiropractic Examiners; and
- (2) Satisfy any additional requirements that the Board deems to be necessary.
- Sec. 2.5. Notwithstanding the amendatory provisions of sections 1 and 2 of this act:
- 1. A license to practice chiropractic issued or renewed on or after July 1, 2011, but before January 1, 2013, expires on December 31, 2013; and
- 2. The Chiropractic Physicians' Board of Nevada shall prorate the fee for any license to practice chiropractic issued or renewed on or after July 1, 2011, but before January 1, 2013.
 - **Sec. 3.** This act becomes effective on July 1, 2011.

Senator Roberson moved the adoption of the amendment. Remarks by Senator Roberson.

Senator Roberson requested that his remarks be entered in the Journal.

Amendment No. 92 to Senate Bill No. 215 requires renewal of a license as a chiropractic physician each even-numbered year and renewal of a certificate as a chiropractor's assistant each odd-numbered year. The amendment contains a transition mechanism for renewal of a chiropractic physician license, as well as a renewal fee proration provision.

The amendment also authorizes continuing education requirements for a chiropractor's assistant to include education related to lifesaving skills and requires the Chiropractic Physicians' Board of Nevada to adopt regulations specifying how many hours of such education are required. Approved courses may be conducted via the Internet. Completion of the continuing education requirement is not required until the first odd-numbered year after the Board issues the initial certificate to practice as a chiropractor's assistant.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 244.

Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that Senate Bill No. 244 be re-referred to the Committee on Finance.

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 280.

Bill read second time and ordered to third reading.

Senate Bill No. 353.

Bill read second time and ordered to third reading.

Senate Bill No. 358.

Bill read second time and ordered to third reading.

Senate Bill No. 408.

Bill read second time and ordered to third reading.

Senate Bill No. 438.

Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that Senate Bill No. 438 be re-referred to the Committee on Finance.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 6.

Bill read third time.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Senate Bill No. 6 authorizes the electronic reproduction of the seal of a court on appropriate court documents in accordance with electronic filing rules established by the Supreme Court and any local rules of practice for implementation that are adopted by the court. The measure also

provides that an electronic seal has the same legal effect as a seal that is impressed. This measure is effective upon passage and approval.

Roll call on Senate Bill No. 6:

YEAS—21.

NAYS-None.

Senate Bill No. 6 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 13.

Bill read third time.

Remarks by Senator Denis.

Senator Denis requested that his remarks be entered in the Journal.

Senate Bill No. 13 authorizes the Department of Motor Vehicles to use e-mail to serve certain notices of determination related to the collection and payment of fuel taxes.

The bill additionally repeals *Nevada Revised Statutes* (NRS 365.135), which authorizes the Department to grant a 30-day extension for submitting any report or return pursuant to Chapter 365 of NRS. The repeal of this section related to motor vehicle and aircraft fuel provides consistency with Chapter 366 of NRS governing special fuels.

Roll call on Senate Bill No. 13:

YEAS—21.

NAYS—None.

Senate Bill No. 13 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 25.

Bill read third time

Remarks by Senator Kihuen.

Senator Kihuen requested that his remarks be entered in the Journal.

Senate Bill No. 25 revises the number of justices of the peace in Clark County. For townships with populations under 1.1 million, one justice of the peace is required for each 100,000 residents or fraction thereof, until the township has four justices of the peace. Thereafter, another justice is added for each 125,000 residents or fraction thereof, over a population of 300,000.

In a township with a population of 1.1 million or more, one justice of the peace is required for each 100,000 residents or fraction thereof, up to a population of 1.1 million. Thereafter, another justice of the peace is added for each 125,000 population of the township or fraction thereof. This measure is effective on January 1, 2012.

Roll call on Senate Bill No. 25:

YEAS—21.

NAYS-None.

Senate Bill No. 25 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 27.

Bill read third time.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Senate Bill No. 27 requires persons employed in childcare facilities to complete at least 15 hours of training each year, at least two hours of which must be devoted to the lifelong wellness, health, and safety of children, and must include training relating to childhood obesity, nutrition, and physical activity.

Roll call on Senate Bill No. 27:

YEAS-21.

NAYS-None.

Senate Bill No. 27 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 34.

Bill read third time.

Remarks by Senator Leslie.

Senator Leslie requested that her remarks be entered in the Journal.

Senate Bill No. 34 makes various technical changes to the provisions governing sales and use taxes to ensure continued compliance with the Streamlined Sales and Use Tax Agreement.

The proposed changes reflect amendments made to the Agreement since the end of the 2009 75th Session.

Roll call on Senate Bill No. 34:

YEAS-21

NAYS-None.

Senate Bill No. 34 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 67.

Bill read third time.

Remarks by Senator Wiener.

Senator Wiener requested that her remarks be entered in the Journal.

Senate Bill No. 67 provides that the money in the Fund for the Compensation of Victims of Crime must be disbursed in accordance with rules and regulations adopted by the State Board of Examiners. The rules and regulations must prioritize claims and pay the higher priority claims, in whole or in part, before paying lower priority claims. The measure is effective upon passage and approval.

Roll call on Senate Bill No. 67:

YEAS—21.

NAYS-None.

Senate Bill No. 67 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 89.

Bill read third time.

Remarks by Senator McGinness.

Senator McGinness requested that his remarks be entered in the Journal.

Senate Bill No. 89 eliminates the annual review requirement of financial statements for unit-owners' associations with a budget under \$45,000, unless an audit is requested by 15 percent of the voting members.

Roll call on Senate Bill No. 89:

YEAS—21.

NAYS-None.

Senate Bill No. 89 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 101.

Bill read third time.

Remarks by Senator Breeden.

Senator Breeden requested that her remarks be entered in the Journal.

Senate Bill No. 101 revises the information that must be printed by a county clerk on the back of a consolidated marriage form to include language explaining that the certificate is not a certified copy and that a certified copy will need to be obtained for certain legal matters. The clerk may also include a time stamp on the back of the form to signify that the form has been filed. The measure further maintains validity of a certificate to perform marriage when a minister or other person authorized to solemnize a marriage, who is retired, moves to another county in this State. This measure is effective on July 1, 2011.

Roll call on Senate Bill No. 101:

YEAS—21.

NAYS-None.

Senate Bill No. 101 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 114.

Bill read third time.

Remarks by Senators Copening and Denis.

Senator Copening requested that the following remarks be entered in the Journal.

SENATOR COPENING:

Senate Bill No.114 authorizes the State Board of Pharmacy and the Investigation Division of the Department of Public Safety to enter into a written agreement with an appropriate agency in another state to provide, receive, or exchange information obtained from Nevada's computerized system with a similar system to track prescriptions for controlled substances in that state. The measure also provides immunity from criminal and civil liability for certain persons who, with reasonable care, provide to the Division or Board reports or information related to the computerized system.

The bill also requires the Investigation Division to provide to the Legislative Committee on Health Care a copy of the annual report concerning the distribution and abuse of controlled substances.

SENATOR DENIS:

Thank you, Mr. President. This bill came out of a study of a bill that I did last session concerning prescription narcotic abuse. These were some of the recommendations that came from the study that was done. I urge the members support as we continue to fight this problem we have in the State of Nevada with prescription narcotic abuse.

Roll call on Senate Bill No. 114:

YEAS—21.

NAYS-None.

Senate Bill No. 114 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 117.

Bill read third time.

Roll call on Senate Bill No. 117:

YEAS-21.

NAYS—None.

Senate Bill No. 117 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 119.

Bill read third time.

Remarks by Senator Parks.

Senator Parks requested that his remarks be entered in the Journal.

Senate Bill No. 119 expands the scope of the duties and powers of the Executive Director and the Administrators of the Agency for Nuclear Projects by revising the definition of "radioactive waste" to include high-level radioactive waste, low-level radioactive waste, transuranic waste, spent nuclear fuel, and certain other radioactive materials. This bill is effective on July 1, 2011.

Roll call on Senate Bill No. 119:

YEAS-21.

NAYS-None.

Senate Bill No. 119 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 222.

Bill read third time.

Remarks by Senator Kihuen.

Senator Kihuen requested that his remarks be entered in the Journal.

Senate Bill No. 222 provides that the association has certain responsibilities if the governing documents of an association require a tenant or a unit's owner who leases or rents the unit to register the tenant or to provide information concerning the tenant or lease agreement.

First, the information must be obtained in accordance with the governing documents. Second, except for a copy of the lease agreement, the association may not require information about the tenant that is not otherwise required of the unit owner who occupies a unit. Finally, the association may not charge a fee to register or provide information concerning the tenant.

Roll call on Senate Bill No. 222:

YEAS-21.

NAYS-None.

Senate Bill No. 222 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 289.

Bill read third time.

Remarks by Senator Copening.

Senator Copening requested that her remarks be entered in the Journal.

Senate Bill No. 289 authorizes the Commissioner of Insurance, on behalf of the State, to enter into the Non-admitted Insurance Multi-State Agreement, or any other multi-state agreement, to preserve the ability of Nevada to collect premium tax on multi-state risks.

If the Commissioner enters into such an agreement, the Commissioner shall submit to the Legislature a report so indicating and include the contents of the agreement. The Commissioner shall also adopt regulations to comply with federal law and facilitate the collection, allocation, and distribution of premium taxes and participate in the clearinghouse established by the multi-state agreement for the purpose of collecting and disbursing to states any funds collected as the home state.

The Commissioner shall adopt the allocation schedule established by the multi-state agreement for the purpose of allocating risk and computing the tax due on the portion of the premium attributable to each state.

I have more background information on the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Roll call on Senate Bill No. 289:

YEAS-21.

NAYS-None.

Senate Bill No. 289 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 301.

Bill read third time.

Remarks by Senator Brower.

Senator Brower requested that his remarks be entered in the Journal.

Thank you, Mr. President. This may sound complicated but it is a simple bill, a clean-up measure brought on behalf of the State Dairy Commission. It updates several provisions in Chapter 584 of the NRS with the idea being to improve the regulation of dairy products in the State, and enhancing the efficiency of the Dairy Commission. It was unanimously approved by the Committee on Health & Human Services with the support of its Chair and I urge its passage today.

Roll call on Senate Bill No. 301:

YEAS-21.

NAYS-None.

Senate Bill No. 301 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 337.

Bill read third time.

Remarks by Senator Kieckhefer.

Senator Kieckhefer requested that his remarks be entered in the Journal.

Senate Bill No. 337 specifies that, prior to certain anatomical gifts passing to an appropriate eye, tissue, or organ bank, the gift must first pass to a family member of the donor who is a medically suitable recipient for the part, a resident of Nevada, and related to the donor within the fourth degree of consanguinity or affinity.

Roll call on Senate Bill No. 337:

YEAS—21.

NAYS-None.

Senate Bill No. 337 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Joint Resolution No. 3.

Resolution read third time.

Remarks by Senator Roberson.

Senator Roberson requested that his remarks be entered in the Journal.

Senate Joint Resolution \tilde{No} . 3 urges Congress to enact legislation requiring the Secretary of the Interior to convey ownership of certain land to the State of Nevada to help fund education. The resolution notes that because the federal government manages and controls such an extensive amount of the land in this State, Nevada is adversely affected in its ability to provide a quality education to its residents.

Roll call on Senate Joint Resolution No. 3:

YEAS—21.

NAYS-None.

Senate Joint Resolution No. 3 having received a constitutional majority, Mr. President declared it passed.

Resolution ordered transmitted to the Assembly.

Senate Joint Resolution No. 4.

Resolution read third time.

Remarks by Senator Rhoads.

Senator Rhoads requested that his remarks be entered in the Journal.

Senate Joint Resolution No. 4 notes that Nevada has an abundance of natural resources and renewable resources that are located on public lands managed and controlled by the federal government. The resolution urges Congress to ensure that the public lands in Nevada, which are managed and controlled by the federal government, remain open to multiple uses, and that the affected local governments in Nevada receive a portion of the revenue received by the federal government.

Roll call on Senate Joint Resolution No. 4:

YEAS-21.

NAYS-None.

Senate Joint Resolution No. 4 having received a constitutional majority, Mr. President declared it passed.

Resolution ordered transmitted to the Assembly.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Breeden, the privilege of the Floor of the Senate Chamber for this day was extended to Jose Alcaraz, Zafra Figueroa and Jordyn Barry.

On request of Senator Cegavske, the privilege of the Floor of the Senate Chamber for this day was extended to Juan Vazquez and May Kastner.

On request of Senator Hardy, the privilege of the Floor of the Senate Chamber for this day was extended to Joe Mineiro.

On request of Senator Horsford, the privilege of the Floor of the Senate Chamber for this day was extended to David Barriantos and Ashley Seda.

On request of Senator Kihuen, the privilege of the Floor of the Senate Chamber for this day was extended to Emily Rhodenbaugh, Dustin Denis and Ariana Miranda.

On request of Senator Lee, the privilege of the Floor of the Senate Chamber for this day was extended to Colin Seale, Kelly Woods and David Chavez.

On request of Senator Leslie, the privilege of the Floor of the Senate Chamber for this day was extended to the following students from the Alice Maxwell Elementary School: Joel Aguilar, Claudio Arguello, Autumn Coltrin, Micah Crooks, Andrew Delgado, Cynthia Fernandez, Brandon Garcia Estrada, Naomi Gomez, Miguel Gonzalez, Destiny Henley, Luis Jacobo-Pedroza, Roberto Lopez, Luz Lopez Ramirez, Aracely Lopez-Rios, Jorge Martin, Alberto Melendez, Faviola Mendoza Martinez, Jayricho Nglam, Brandon Pearson, Elena Perez, Asiah Roach, Carlos Rodriguez, Christopher Silva, Alfredo Tamayo-Fierros, Gabriela Torres Ramirez, Angelica Umana, Angel Vega Sandoval, Tyler Waldman, Cassandra Workman, Nicklaus Adams, Christopher Agnew, Brianna Ambario Pena, Michael Anduja, Gerardo Batalla, Jairo Bonilla Ramirez, Aylin Bravo Ruiz, Jorge Dominguez, Brooke Ellis, Anahy Gomez, Daisy Guzman, Briana Izquierdo Sotelo, Jazell Kelly, Adorius Lane, Kade Macedo, Diana Martinez, Jacob Martinez, Elizabeth Marinez-Garcia, James Mullins, Diego Navarro Munoz, Luis Palma, Rommel Ramos, Monserat Reyes Fierros, Jorge Rivas, Maricarmen Salvador Ornelas, Erick Sanchez Leon, Derrick Simms, Katelyn Tate and Julio Cesar Valdez.

On request of Senator Manendo, the privilege of the Floor of the Senate Chamber for this day was extended to Kyle Chatmon, Justin Miller and Corbin Davis.

On request of Senator Parks, the privilege of the Floor of the Senate Chamber for this day was extended to Marquis Richardson, Charlene Papke and Lorna Rivers.

On request of Senator Settelmeyer, the privilege of the Floor of the Senate Chamber for this day was extended to the following students and adults from the Silver Stage High School: Tianna Angulo, Milessent Dayanghirang, Samantha Frey, Brandon Marrs, Melissa Mendenhall, Hailey Gibson, Julie Parkin, Natasha Pascula, Michelle Senour, Amber Smallwood, Logan Roberts, Michelle Cottle, Alexis Mullens, Yadira Villalpando, Sarah Williams, Jerry Wingingham, Ashley Booth, Trevor Brandt, Chelsea Frandsen, Sarah McGee, Trina Wren, Holly Seiving, Tyler Griffith, J.R. Hesselgesser, Cassie Mohler, Ariel Foor, Crystal Hall; Adults: Todd Buchan, Patrick Billings and Crystal Viscarrett.

Senator Horsford moved that the Senate adjourn until Monday, April 11, 2011, at 11 a.m. and that it do so in memory of Reverend Onie Cooper.

Motion carried.

Senate adjourned at 12:39 p.m.

Approved:

BRIAN K. KROLICKI *President of the Senate*

Attest: DAVID A. BYERMAN

Secretary of the Senate