

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-sixth Session
February 9, 2011**

The Senate Committee on Government Affairs was called to order by Chair John J. Lee at 8:06 a.m. on Wednesday, February 9, 2011, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator John J. Lee, Chair
Senator Mark A. Manendo, Vice Chair
Senator Michael A. Schneider
Senator Joseph (Joe) P. Hardy
Senator James A. Settelmeyer

STAFF MEMBERS PRESENT:

Michael Stewart, Policy Analyst
Heidi Chlarson, Counsel
Martha Barnes, Committee Secretary
Philip C. Hacker, Intern for Senator Lee
Tatiana Kosyrkina, Committee Intern
James Newcomb, Intern for Senator Lee
Julie Newman, Committee Manager
Gena Plummer, Committee Assistant
Cynthia Ross, Committee Secretary

OTHERS PRESENT:

Gustavo "Gus" Nunez, P.E., Manager, State Public Works Board
James M. Wright, Chief, State Fire Marshal Division, Department of Public Safety
Don Jayne, Administrator, Division of Industrial Relations, Department of Business and Industry

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Rich Harvey, Deputy State Forester, Division of Forestry, Department of
Conversation and Natural Resources
Bru Ethridge, Notary Division Administrator, Office of the Secretary of State
Rebecca Gasca, Legislative and Policy Director, American Civil Liberties Union
of Nevada
Bill Uffelman, President and CEO, Nevada Bankers Association
Keith G. Munro, First Assistant Attorney General and Legislative Liaison, Office
of the Attorney General
James D. Earl, Executive Director, Technological Crime Advisory Board
Chris Ipsen, Chief Information Security Officer, Office of Information Security,
Department of Information Technology
Catherine Krause, Chief IT Manager, Records and Technology Division,
Department of Public Safety
Constance Brooks, Senior Management Analyst, Administrative Services,
Clark County
Javier Trujillo, Intergovernmental Relations Specialist, City of Henderson
Barry Smith, Executive Director, Nevada Press Association, Inc.

CHAIR LEE:

We will open this meeting with the review of Committee rules.

MICHAEL STEWART (Policy Analyst):

The Senate Committee on Government Affairs Rules for the 2011 Legislative Session consist of 18 rules ([Exhibit C](#)). A quorum is three members. A videoconference shall qualify as a meeting together, and a meeting shall not be opened without a quorum. A majority of a full committee is required to pass a bill. The Chair can appoint any number of subcommittees whose actions shall be reported to the Committee. There may be an occasion where the Chair might address interested parties to work with an individual member.

The rules reflect the Committee's intention to create an atmosphere of courtesy, professionalism and equal interest in all persons who are testifying. Rule 9, addressing cellular telephones, exemplifies this intent.

Rule 15 notes that a member who votes affirmatively to pass a bill in committee is encouraged to notify the Chair of any change in his or her vote before the vote on the Senate Floor. Sponsors of legislation might be asked to explain bill draft requests (BDRs) prior to introduction by the Committee, Rule 16.

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Rule 17 states any person proposing an amendment to a bill being heard by the committee must submit the proposed amendment in writing and include a statement of the intent for the amendment. The proposal must also include the appropriate name and contact number.

The last rule, [Exhibit C](#), explains that supporting documents and exhibits will be uploaded onto the Nevada Electronic Legislative Information System.

CHAIR LEE:

We need a motion to adopt the Committee Rules for the 2011 Legislative Session.

SENATOR SETTELMAYER MOVED TO ADOPT THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS RULES FOR THE 2011 SESSION.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. STEWART:

The Committee Policy Brief ([Exhibit D](#)) is divided into eight sections and highlights upcoming topics and information, such as bill statistics. There has been an effort to make the jurisdictions of the Assembly Committee on Government Affairs and the Senate Committee on Government Affairs more parallel. Section II references the jurisdiction of the Committee. The Committee has a broad jurisdiction. It hosts a range of topics from public records, water issues, veteran affairs, Indian affairs and topics such as digital signatures. Public employees' issues will be heard by the Senate Committee on Legislative Operations and Elections, which will also tackle the reapportionment and redistricting bills. Measures addressing economic development will most likely be referred to the new Select Committee on Economic Growth and Employment. The Senate Committee on Government Affairs will hear issues addressing cities and towns, counties, planning and zonings, special districts, public property and purchasing, public borrowing, public records, redevelopment and public works. The Senate Committee on Government Affairs has jurisdiction over 125 chapters in 19 Titles of the *Nevada Revised Statutes* (NRS). On page 2, there is a table presenting those jurisdictions.

Page 3, [Exhibit D](#), shows bill statistics from the 2009 Legislative Session. This Committee processed about 100 bills over the past few sessions, but this Session—with increased jurisdiction—can expect more bills. There are more than 150 prospective BDRs to date. These BDRs include the topics of affordable housing, city charters, county-elected offices, group homes, local government finance, master planning, Nevada Open Meeting Law, notaries, planning and zoning, prevailing wage and water issues. Page 5, [Exhibit D](#), shows a list of approximately 20 prefiled bills with the Committee.

Three Assembly bills (A.B.) and one Senate bill (S.B.) considered in the 2009 Legislative Session were vetoed by ex-Governor Jim Gibbons. They will return to the Legislature this Session for consideration. These bills are A.B. 130 of the 75th Session relating to metropolitan police departments, A.B. 395 of the 75th Session concerning workplace relations, A.B. 451 of the 75th Session regarding State investments and S.B. 376 of the 75th Session concerning prevailing wage requirements.

We have reports that are submitted to the Legislature for consideration or that are of interest to various committees. This Committee from the 2009 Legislative Session considered five bills that required reports for 2011. The bills are: A.B. No. 80 of the 75th Session, chapter 278, *Statutes of Nevada 2009*, requiring a itemized report from each operator of a sewer main; A.B. No. 223 of the 75th Session, chapter 472, *Statutes of Nevada 2009*, requiring the Purchasing Division and the State Public Works Board to report every six months on contracts with service-disabled veterans; A.B. No. 360 of the 75th Session, chapter 305, *Statutes of Nevada 2009*, requiring a special district to report to the Legislature on the funding and activities of that district; A.B. No. 492 of the 75th Session, chapter 451, *Statutes of Nevada 2009*, requiring the Nevada Commission on Economic Development to report to the Legislature on the cost and benefits of tax abatements for economic development; and A.B. No. 494 of the 75th Session, chapter 473, *Statutes of Nevada 2009*, requiring the local jurisdictions in Clark County and Washoe County to submit written reports on their efforts relating to consolidation.

Three interim studies relating to Government Affairs have made recommendations for bill drafts. Chair Lee chaired the Legislative Commission's Committee to Study Powers Delegated to Local Governments. We also had the Legislative Committee to Oversee the Western Regional Water Commission in

Washoe County, which was established in the 2007 Legislative Session, and we had the Legislative Commission's Committee to Study Group Homes.

"Policy and Program Reports" are uploaded on our Website, as are many publications relating to the issues of the Committee. These are useful tools to access through Session.

Page 8, [Exhibit D](#), presents a table of counties by population, city categories and incorporated cities in Nevada. This will be helpful when discussing legislative measures that expressly include or exclude counties based on population or cities defined by specific category. Legislation for Clark County will state, "counties whose populations are 400,000 or more" and for a bill to capture only Washoe County, a bill will state, "counties whose populations are 100,000 up to 400,000." There are various categories of cities, and legislation can be specific to city sizes. The new population numbers resulting from any decennial census is incorporated at the Legislative Session following a census.

The Legislature considers a population bill which shifts population thresholds, based on current U.S. Census data, to accommodate growth. This bill serves to retain the applicability of provisions in Nevada law only to those counties and cities for which they were intended to affect.

The last pages of the Committee Policy Brief, [Exhibit D](#), present key contact information for State government entities and State government officials. The Internet Websites for the Nevada Association of Counties and the Nevada League of Cities are listed. These Websites provide direct links and directories to all local governments.

The last page of the Committee Policy Brief, [Exhibit D](#), presents the key dates and deadlines for the Committee. This allows for orderly and timely procedure.

CHAIR LEE:

We will now open discussion on Senate Bill 40.

SENATE BILL 40: Requires certain state agencies and officials to consult with the deputy manager for compliance and code enforcement before adopting regulations concerning the construction, maintenance, operation or safety of buildings or structures. (BDR 28-436)

GUSTAVO "GUS" NUNEZ, P.E. (Manager, State Public Works Board):

The intention of Senate Bill 40 is to have all State agencies responsible for adopting building codes coordinate with one other. The intent is to get the entire State using the same codes. Building codes work as a system, such as the nonstructural life-safety portion of the building code; therefore, trying to satisfy two or more codes can compromise the life-safety system of a facility and the safety of the occupants and the general public.

Senate Bill 40 provides for each agency responsible for the adoption of building codes to consult with the designated building official of the State. That responsibility has been vested onto the deputy manager for compliance and code enforcement for the Public Works Board. The deputy manager serves at the pleasure of the Public Works Board and the Governor. The existing statute does not require State agencies to follow the recommendations of the deputy manager or to coordinate the code adoptions.

The State Fire Marshal has joined the effort to establish a uniform set of codes, and the Department of Business and Industry, Division of Industrial Relations, is also cooperating in this although there is no mandate.

Chair Lee wants a code process that will ensure the entire State will have the same codes. We have assisted and have prepared an amendment ([Exhibit E](#)). We researched what adjacent states are doing and adopted those portions that make sense.

The amendment, [Exhibit E](#), requires all State agencies responsible for code adoption to forward them to the Public Works Board within six months after a Legislative Session adjourns. The Public Works Board consists of seven members appointed by the Governor, the Speaker of the Assembly and the Senate Majority Leader. Each member must meet certain qualifications all related to the design, construction, legal and financing of construction. This body would receive the codes from the State agencies, review them and then adopt those codes applicable for State buildings. This process would ensure the entire State would be under the same set of codes for the design, construction, plan check, inspection and issuance of a Certificate of Occupancy by the Building Official of the State.

I have received calls from State agencies affected by this bill, and with the exception of minor revisions, I have not heard one major problem with the concept and intent of this bill.

This bill does not affect, impact or change the ongoing maintenance required of facilities after the Certificate of Occupancy from agencies. This would include the yearly inspections by the State Fire Marshal or the requirements for elevators and pressured vessels by the Division of Industrial Relations.

CHAIR LEE:

This bill encompasses State work only. This does not include cities or counties. This is to include all State agencies that have different codes; we are trying to make codes uniform. The Public Works Board will look at all the codes and will make the code recommendations.

MR. NUNEZ:

Correct.

JAMES M. WRIGHT (Chief, State Fire Marshal Division, Department of Public Safety):

The State Fire Marshal Division supports the intent of this bill. In my tenure, we have been working closely with the Public Works Board with the adoption of our codes and regulations relating to fire codes. I do have concerns with the amendment, [Exhibit E](#).

My responsibility as the State Fire Marshal goes beyond State buildings. I must establish a baseline fire code for the entire State. We are different than other State agencies because when we adopt our fire code, we collaborate with the local building officials, the local fire services and the industry to build the base code.

Transferring that responsibility to the Public Works Board is a concern because we should only have one Fire Marshal. The Fire Marshal should be separate and have the ability to adopt codes in coordination to avoid any conflict of interest. This bill is not an attempt to gain authority. The State Fire Marshal codes go beyond State projects. Local government building officials, fire marshals and the industry would have concerns with our codes going before the Public Works Board for approval. The piece relating to the State Fire Marshal codes needs to be worked out.

CHAIR LEE:

If you took five feet outside of a building on both sides, this is where they are trying to work. They are not trying to coordinate a group to write codes for you. It concerns the structure. Are you OK with the structure?

MR. WRIGHT:

The Public Works Board does not have authority in a structure outside of State buildings, so let us assume we are developing a code to apply to a casino building. If we work with the local government building officials and the fire service and come up with a code for the casino building, potentially the Public Works Board could say, "No."

CHAIR LEE:

Clark County would be different because Clark County Fire Department would take care of that issue.

MR. WRIGHT.
Correct.

CHAIR LEE:

This would apply to the rural counties?

MR. WRIGHT:

Yes. This would apply in the rural counties where regulations primarily exist outside of State properties.

SENATOR HARDY:

A person can construct a building and have conflicting regulations. I do not see where this legislation addresses the question that if codes clash, which regulator has jurisdiction?

CHAIR LEE:

This amendment is addressing only State facilities.

MR. NUNEZ:

As we worked on this amendment, we looked at what adjacent states were doing for codes. There is a concern not to encroach in the authority of other jurisdictions. On the last page of the amendment, [Exhibit E](#), paragraph (b) states:

The State Fire Marshal shall remain the state agency responsible for developing standards to implement the state's fire safety policy. In its role as the fire safety standard developing agency, the State Fire Marshal shall continue its existing activities and forums designed to facilitate compromise and consensus among the various individuals and groups involved in development of the state's codes related to fire safety.

Paragraph (c) further explains that the State Fire Marshal would be the ultimate authority when it comes to fire safety. Paragraph (e) states:

The State Public Works Board may not rewrite or modify any fire safety code or standard without the express mutual agreement of the State Fire Marshal. If the State Fire Marshal does not agree with the modification of a fire safety code or standard as proposed by the State Public Works Board, the authority of the State Public Works Board shall be limited to disapproval of the standard.

We are willing to change language to satisfy the concerns of the State Fire Marshal because we recognize the State Fire Marshal's authority goes beyond State buildings. We also know the Marshal is the ultimate authority when it comes to fire safety. Additional or modified language can also ensure there is no infringement of authority to reach a coordinated set of codes. We are working together to coordinate, and we have not had a conflict.

MR. WRIGHT:

We want to ensure the amendment is straightforward and there is no language that changes the intent. My concerns address my responsibilities outside of State Public Work Projects and retaining my authority.

SENATOR SETTELMAYER:

In the amendment, in the middle of page 4, [Exhibit E](#), paragraph (a) reads:

Each state agency that is required to propose building standards and codes shall pay annually to the Department of Administration a

proportionate share of the cost of the review, and adoption of building standards and codes.

Would it be acceptable to add, "If an agency is not putting forth change, that the agency will not have to pay?"

MR. NUNEZ:
Yes.

DON JAYNE (Administrator, Division of Industrial Relations, Department of Business and Industry):

We support S.B. 40. We have the responsibility under NRS 455C for elevators, escalators and boiler machinery, and we have participated in a series of meetings with the Public Works Board and the State Fire Marshal. We agree that coordinating building codes is an appropriate approach. It makes it easier to do business in Nevada, gives predictability for contractors and for people putting projects together. We understand it applies to State buildings. Our responsibility for safety extends beyond State projects, so we want to add defining language to the amendment, [Exhibit E](#), similar in approach to the State Fire Marshal. We want to outline our areas of responsibility and the section of code. This would include elevator equipment, from installation through maintenance, in State buildings and in the private sector. We also want defining language to clarify ongoing responsibilities once the code is adopted.

RICH HARVEY (Deputy State Forester, Division of Forestry, Department of Conservation and Natural Resources):

We support S.B. 40. The bill formalizes the need for coordination between State agencies and officials to consult prior to adopting regulations concerning construction, maintenance, operation or safety of buildings and structures. Passage of S.B. 40 will assist understanding and minimize the potential for conflicting regulations.

CHAIR LEE:

We will close the hearing on S.B. 40. We will now open the hearing on S.B. 77.

[SENATE BILL 77](#): Revises provisions relating to notaries public. (BDR 19-404)

BRU ETHRIDGE (Notary Division Administrator, Office of the Secretary of State):
We support S.B. 77. The background of notaries is presented in my written testimony ([Exhibit F](#)) as are the sections and subsections of changes to notaries that we support.

In the last year, three individuals were appointed notaries public based on false information regarding their qualifications as notaries public. To prevent this, we support the bill's intent on page 3, lines 35 through 39, requiring notaries to submit a set of fingerprints to the Office of the Secretary of State (SOS).

There are several sections of the bill's intent we support including page 5, lines 29 through 31, addressing the securing of a stamp.

We also support disciplinary action against a notary public by the SOS. This would include page 6, lines 8 through 11, that would not allow a notary public to notarize a document that has missing information in a designated area or has not been signed by the document signer. Lines 12 through 16 prohibit a notary public not employed by a bank, saving and loan association, saving bank, thrift company, credit union or other institutions to make or note a protest of a negotiable instrument. This will close a loophole for possible fraudulent activity.

We also support the bill's intent on page 7, lines 1 through 4, which instructs the notary public to keep the journal secure and locked during any period in which the notary public is not making an entry or notification in the journal. Since the notary journal is the witness to the signing of a document, it is a record that the signing took place. If there is not a journal to verify the signing, the issue of fraud becomes a bigger issue. This will prevent loss of journals, and notarizations can be reviewed.

On page 7, lines 21 through 25, although not new language, identify the type of discipline the SOS can impose. On page 8, lines 15 through 18 create a more permanent list of suspended notary publics for the general public, and we support the language on page 8, lines 24 through 27, which allows the SOS to suspend a notary public's appointment during an investigation process if it is in the best interest of the public.

CHAIR LEE:

The notary stamp is portable. People carry the stamps to work and to homes. I have concerns with page 5 of the bill, where lines 29 through 31 address

stamps to be locked and placed in a secured location during any period in which the notary public is not using the stamp to perform a notary act. Is using a purse not adequate?

MS. ETHRIDGE:

It is our experience that when a stamp is in an easily accessible location, the ability to use the stamp unbeknownst to the notary public is far greater. To have it in the sole control of the individual and in their possession, such as in a purse or pocket, could be sufficient. The idea is to not leave the stamp out on a desk but rather in an inconspicuous location. We prefer the stamp to be under lock and key, but we can work it out.

CHAIR LEE:

It would be good to add this into the explanation on how to be a good notary. I would hate to see a penalty assessed for someone carrying a stamp.

MS. ETHRIDGE:

The penalty would only be assessed if the stamp was used and the signature of the notary public is forged. This demonstrates the notary public was not in control of the stamp. We are trying to prevent a stamp from being used when a notary public is sick or is on vacation because the stamp was easy to access.

SENATOR SETTELMAYER:

What would be the process for individuals who are already notaries public compared to incoming notaries public?

MS. ETHRIDGE:

The intent is that any individual applying as a notary public would have to submit fingerprints. This includes new applicants and existing notaries public.

SENATOR SETTELMAYER:

What is the charge of the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints? It appears that you are asking for a blank check. I do not have any idea of the amount.

MS. ETHRIDGE:

The cost a year ago was about \$19.

REBECCA GASCA (Legislative and Policy Director, American Civil Liberties Union of Nevada):

We have administrative concerns regarding S.B. 77. The American Civil Liberties Union (ACLU) of Nevada cares about governmental transparency. A provision in law under NRS 239.330 makes it a felony to engage in the listed fraudulent behavior in this bill. The SOS wants to pull language over to make clear to notary publics that engaging in willful neglect or omitting information about a felony conviction would be considered felonious behavior. The drafting of this bill creates a new felony rather than cross-referencing to the existing statute. The ACLU recommends the Legislature to cross-reference rather than create a new felony. This would be cost-effective.

We recommend that if the language is not cross-referenced to NRS 239.330, it is important that the word "knowingly" is inserted into the language. As it stands, the language on page 3, lines 12 through 14, states, "A person who 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." It should also include material fact so minor discrepancies do not cause individuals to be charged with a felony.

BILL UFFELMAN (President and CEO, Nevada Bankers Association):

We support S.B. 77. To address the discussion about the misuse of the notary stamp, anybody can order a stamp. The concern relates to the fraudulent use of someone duplicating a notary public's stamp. I want to ensure that the notary publics who have had their stamps under control but whose identities are used do not get assessed \$2,000 worth of penalties.

CHAIR LEE:

Do banks do signature guarantees and have notaries?

MR. UFFELMAN:

Yes. I did a new mortgage with new retirement papers, and the notary public went through each page. They did not confine themselves to going directly to my signature and proof of identification on the last page. They looked for voids and missing information for their interest and mine. They wanted to ensure they were not wittingly or knowingly becoming a party to a fraudulent act.

CHAIR LEE:

I am closing the hearing on S.B. 77 and opening the hearing on S.B. 82.

SENATE BILL 82: Makes various changes relating to governmental information systems. (BDR 19-267)

KEITH G. MUNRO (First Assistant Attorney General and Legislative Liaison, Office of the Attorney General):

This legislation is a result of the Technological Crime Advisory Board. The Attorney General is the chair of that Board. The Board's members include individuals from the Legislature; the Department of Information Technology (DoIT); local, state and federal law enforcement officials; and experts in the cyber field. The Legislature pursuant to State law has directed the Board members to support computer forensic and investigative task forces in Reno and Las Vegas; coordinate training and public awareness on cyber issues; assist DoIT to secure governmental information systems; and recommend changes to civil and criminal laws in response to projected changes in technology.

One technical correction in the bill is the wording of "elected state officer." This is found on page 7 on lines 36 and 40 and also on page 8, line 5. This could be construed to apply to legislative officials and this is not the bill's intent. It should say "executive state officer."

JAMES D. EARL (Executive Director, Technological Crime Advisory Board):

The Technological Crime Advisory Board has received several high-level briefings on current and projected cyber threats since the 2009 Legislative Session and the implications those threats and challenges impose on government information systems. The problem that confronts government is how to do more with less. The Department of Information Technology can provide Information Technology (IT) goods and services to counties and municipalities if it has excess capacity. The Department of Information Technology has not had excess capacity for years and will not in the future. This limits collaboration between State and county and city agencies in the computer security field.

Computer hardware and software in government agencies is kept longer in service than planned because there are insufficient funds to comply with normal replacement cycles. This can have significant security implications. The fundamental question is, "How do we get the best deal in terms of price and security?" Senate Bill 82 enables DoIT to provide IT goods and services—specifically including procurement services—to counties and cities if three conditions are met. First, counties and cities have to request assistance and

second, do what has to be appropriately compensated; third, the State has to save money on the bundled transaction.

The chief information officers of Clark County and Washoe County and the Cities of Reno, Las Vegas and Henderson supported S.B. 82 at the Board's last meeting. Senator Valerie Wiener chaired that meeting, and her questions and their testimony can be found on pages 27 through 32 of the Board minutes ([Exhibit G](#)).

Paying less for hardware and software is a fool's bargain unless they are secure and the system of which they are a part is also secure. Senate Bill 82 contains information security requirements designed to meet current and foreseen threats.

The bill also defines membership of the Information Technology Advisory Board and makes conforming changes to State procurement and criminal statutes.

The bill is best seen as part of a continuum of legislative measures over the past several Sessions to make Nevada an "information secure" locale—more attractive to businesses dependent on information security—and more protective of the tremendous amount of citizen information contained on government computer systems throughout the State.

CHRIS IPSEN (Chief Information Security Officer, Office of Information Security, Department of Information Technology):

The threat horizon on our data is increasing. The threats are more sophisticated, they are more organized, organized crime is involved, nation-states are involved and malicious individuals are involved.

We are faced with reduced funding for the securing of that data. It is my civic responsibility to protect our information. One important consideration is that states have the ability to compel citizens to give information that they would not otherwise give. We have an increased responsibility to protect that data. We do not have the authority to request data that we do not concurrently protect. Reduced funding is coming our way, and the increasing threat horizon requires us to take a creative approach and act civically minded. Senate Bill 82 represents a citizen-centered approach to the securing of data in our systems. How is this accomplished?

This measure will allow us to proactively look at the threat posture of our environment rather than react to the threat posture. The Office of Information Security is called in—after a compromise has occurred. In some cases, there is ambiguity over whether we can proactively look at systems. I want to eliminate the ambiguity and accept the responsibility, determine areas where we can do better and collaborate with agencies to ensure that systems are secure. I want an answer if the Governor asks, “Are we more secure or less secure?”

If we only react to threats, the data is already gone and costs rise. The cost of addressing a security incident increases ten times over that of proactively addressing the security concerns on the front end. We cannot address the security concerns if we do not know they exist. Senate Bill 82 allows us to proactively assess the security posture of the State’s systems.

A comprehensive approach will serve our interest. Clark County, Washoe County, and the Cities of Las Vegas, Reno and Henderson support us in this endeavor. Working together will allow us to create larger buys, which reduce costs and extend services in the rural communities. By addressing our security concerns as a State rather than by a number of individual silos, we will get better deals, our approach will be standardized and we can validate our processes.

Senate Bill 82 allows the State to collaborate with counties and cities. Subsets of this legislation are a direct result of the counties and cities asking for assistance from the State. One challenge is when we might be asked for assistance, for example, with confidential records. We want to extend the same capabilities of executive agencies to counties and cities. Also, S.B. 82 improves communication. The authority and the ability to speak with Legislators and other key individuals about the threat horizon can help us improve the quality of system security. We can better serve the citizens of Nevada.

CHAIR LEE:

Do you support this bill because it will allow you to see how agencies are securing their data before you have to do a forensic investigation?

MR. IPSEN:
Correct.

CHAIR LEE:

Why was there a change on the term of the appointment to the Information Technology Crime Advisory Board?

MR. EARL:

Four years is a standard term. The Technology Crime Advisory Board members serve for four years. This was an attempt to eliminate rapid turnover. The Board meets four times a year. By moving to a four-year term, it also matches the election cycle. It provides a continuing basis of Board expertise.

CATHERINE KRAUSE (Chief IT Manager, Records and Technology Division, Department of Public Safety):

We are neutral on S.B. 82, but we have concerns. Our agency operates under State security requirements and federal security requirements that apply to our agency. We have started a dialog with DoIT, but we need to work out our issues before supporting this legislation. We need to know how federal security regulations that require information we distribute to Statewide law enforcement might apply to some of the bill's provisions.

CONSTANCE BROOKS (Senior Management Analyst, Administrative Services, Clark County):

We support S.B. 82. We do have an amendment ([Exhibit H](#)). The opportunity to partner better with the State will strengthen our relationship in respect to information technology.

Our amendment, [Exhibit H](#), allows local governments purchasing flexibility and the ability to put bids on the Internet. Clark County requests that the Committee consider making the same changes with respect to local governments with statutory sections related to the advertisements for purchasing in Public Works. The applicable *Nevada Revised Statutes* we request to be amended are NRS 332.045, NRS 338.1378, NRS 338.1385, NRS 338.143, NRS 338.1692, NRS 338.1723, 338.1907 and NRS 496.090.

JAVIER TRUJILLO (Intergovernmental Relations Specialist, City of Henderson):

We support S.B. 82, specifically section 11, which would extend the protection of IT infrastructural documents to local government agencies.

BARRY SMITH (Executive Director, Nevada Press Association, Inc.):

I want to draw your attention to S.B. 82, page 11, lines 14 through 15. This makes advertising in a newspaper or State Purchasing Website optional. I support advertising using both.

State Purchasing Websites are updated almost daily. This is good for companies doing business with the State, but I doubt many ordinary citizens are browsing the State Purchasing site daily to see what is advertised.

One key reason for public notices to be published is to show that advertisement was posted properly, timely and publicly. When a proposal is limited to public notice by a government Website, where is the verification and the record of publication? This third-party verification—the publication of notice not only by a government—is provided by publishing in a newspaper. This reaches a wider audience.

This year, the Nevada Press Association has joined 41 states in offering a statewide public notices Website where people can find public notices by newspapers in every county in Nevada. We recognize the need for accountability. The cost is included in the price for placing a public notice. Vendors visit these sites, including ours, and they search for bids, wastewater, desalination, foreclosure, engineering and other services.

CHAIR LEE:

The Clark County amendment, [Exhibit H](#), says each advertisement must be published in one of the following ways. Do you want advertisements placed in at least one newspaper of general circulation and on the Internet?

MR. SMITH:

Yes, and advertisements should be on the State Purchasing site.

CHAIR LEE:

Bidding should knock down the cost of posting a newspaper notice because it stimulates a wider viewing base. The competition should be greater.

MR. SMITH:

This is the benefit of informing more individuals. Government Websites limit access of notices to only people who visit those sites.

SENATOR SETTELMAYER:

What is the statewide public notices Website?

MR. SMITH:

It is <<http://www.publicnoticeads.com>>. This will give you a link to all 42 states.

SENATOR SETTELMAYER:

Is this a free resource?

MR. SMITH:

Yes, to viewers. The cost is paid for by those placing public notices. There are no extra costs. We are not charging for the service.

SENATOR SETTELMAYER:

I want to see uniformity to our laws. As for sections dealing with the Open Meeting Law posting, I would like to see notices posted on an agency's Website and on three public locations. This will allow individuals who do not have computer access to come across notices. I worry about using newspapers as they potentially add costs.

CHAIR LEE:

I question how many newspapers might be in Esmeralda County.

MR. SMITH:

There is a publication for each county.

CHAIR LEE:

Yes, but not three publications.

SENATOR SETTELMAYER:

Under Open Meeting Law rules for posting, a notice must be posted in three—physical—places. This is to ensure people have exposure to the notice. These public places could include a library, a courthouse and a school.

CHAIR LEE:

Is there any further business?

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SENATOR SETTELMAYER:

Has anyone spoken on the amendment ([Exhibit I](#)) presented by Brett Kandt, Special Deputy Attorney General? Why do they want to go from a 12-hour notification to 24 hours? Once an incident has been discovered, why wait?

MR. IPSEN:

We need a specific time frame, and 12 hours is difficult—but if we extend the time out too far, it defeats the purpose of the notification. We want to address a compromise in a most timely manner. Twenty-four hours is a more reasonable time period.

CHAIR LEE:

This Committee hearing on Senate Government Affairs is adjourned at 9:31 a.m.

RESPECTFULLY SUBMITTED:

Cynthia Ross,
Committee Secretary

APPROVED BY:

Senator John J. Lee, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: February 9, 2011

Time of Meeting: 8:00 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Committee	Committee Rules for the 2011 Legislative Session
	D	Committee	Policy Brief
S.B. 40	E	Gustavo "Gus" Nunez	Amendment: Code coordination for State public buildings
S.B. 77	F	Bru Ethridge	Notary Publics: Stamps and security issues, felonious behavior and penalties
S.B. 82	G	James D. Earl	Minutes of Technological Crime Advisory Board meeting on Nov. 18, 2010
S.B. 82	H	Constance Brooks	Clark County Amendment
S.B. 82	I	Brett Kandt	Amendment: The Department of Information Technology Advisory Board