

ASSEMBLY BILL NO. 42—COMMITTEE ON EDUCATION

(ON BEHALF OF THE DIVISION OF ENTERPRISE
INFORMATION TECHNOLOGY SERVICES)

PREFILED DECEMBER 20, 2012

Referred to Concurrent Committees on
Education and Ways and Means

SUMMARY—Establishes the Nevada Cyber Institute within the
Nevada System of Higher Education. (BDR 34-286)

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

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

AN ACT relating to cyber security; establishing the Nevada Cyber
Institute within the Nevada System of Higher Education;
creating the Advisory Board of the Nevada Cyber
Institute; setting forth the powers and duties of the Board
of Regents of the University of Nevada regarding the
Nevada Cyber Institute; and providing other matters
properly relating thereto.

Legislative Counsel's Digest:

1 **Section 5** of this bill establishes the Nevada Cyber Institute within the Nevada
2 System of Higher Education and sets forth the purposes of the Nevada Cyber
3 Institute, which relate generally to the development and teaching of techniques and
4 practices relating to cyber security. **Section 6** of this bill creates the Advisory
5 Board of the Nevada Cyber Institute, which is authorized to offer recommendations
6 to the Board of Regents of the University of Nevada concerning any matter relating
7 to the Nevada Cyber Institute. **Section 7** of this bill authorizes the Board of Regents
8 to provide for courses of instruction at the Nevada Cyber Institute, including the
9 establishment of curricula for the courses and the determination of criteria for
10 admission to the courses, and to provide for the transfer of credits earned at the
11 Nevada Cyber Institute to any university or college in the Nevada System of Higher
12 Education. **Sections 8-11** of this bill also provide other powers and duties of the
13 Board of Regents relating to the personnel and fiscal policies and procedures of the
14 Nevada Cyber Institute. **Section 12** of this bill requires the Board of Regents to
15 consider recommendations of the Advisory Board relating to the Nevada Cyber
16 Institute and, in so doing, consider the expertise and experience of the members of
17 the Advisory Board in the fields of information technology and cyber security.



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18 **Section 13** of this bill requires the Board of Regents to include certain information
19 regarding the Nevada Cyber Institute in a plan presented biennially to the
20 Legislature.

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

1 **Section 1.** Chapter 396 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 13, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 13, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms*
6 *described in sections 3 and 4 of this act have the meanings*
7 *ascribed to them in those sections.*

8 **Sec. 3.** *“Advisory Board” means the Advisory Board of the*
9 *Nevada Cyber Institute created by section 6 of this act.*

10 **Sec. 4.** *“Cyber security” means any technology, process or*
11 *practice designed to protect a computer or a system of computers*
12 *against attack, damage or unauthorized access.*

13 **Sec. 5. 1.** *The Nevada Cyber Institute is hereby established*
14 *within the System.*

15 **2.** *The purposes of the Nevada Cyber Institute are to:*

16 *(a) Contribute to the security of the United States and promote*
17 *the general welfare of this State and its residents through the*
18 *development and teaching of techniques and practices relating to*
19 *cyber security;*

20 *(b) Foster and conduct applied research for governmental*
21 *agencies and the private sector relating to cyber security;*

22 *(c) Discover and develop talent in governmental agencies and*
23 *the private sector for implementing techniques and practices*
24 *relating to cyber security; and*

25 *(d) Acquire and disseminate knowledge relating to projects*
26 *undertaken to advance cyber security.*

27 **Sec. 6. 1.** *The Advisory Board of the Nevada Cyber*
28 *Institute is hereby created.*

29 **2.** *The Advisory Board consists of:*

30 *(a) The Governor or his or her designee, the Chancellor of the*
31 *System or his or her designee, and the Chief Information Officer*
32 *of the State appointed pursuant to NRS 223.085; and*

33 *(b) Four members who are appointed by the Governor*
34 *pursuant to subsection 3.*

35 **3.** *The Governor shall appoint as members of the Advisory*
36 *Board four persons who are residents of this State and who have*
37 *expertise and experience in the fields of information technology*



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1 *and cyber security. Members appointed pursuant to this subsection*
2 *serve for a term of 4 years. A member may be reappointed.*

3 *4. A majority of the members of the Advisory Board*
4 *constitutes a quorum for the transaction of business.*

5 *5. The Governor or his or her designee shall serve as the*
6 *Chair of the Advisory Board.*

7 *6. The Advisory Board shall meet at the call of the Chair.*

8 *7. The Advisory Board may offer recommendations to the*
9 *Board of Regents concerning any matter relating to the Nevada*
10 *Cyber Institute.*

11 **Sec. 7. The Board of Regents may:**

12 *1. Provide for the offering of courses of instruction in cyber*
13 *security by the Nevada Cyber Institute;*

14 *2. Establish subjects and curricula for any course of*
15 *instruction offered by the Nevada Cyber Institute;*

16 *3. Determine criteria for admission into a course of*
17 *instruction and for the awarding of a certificate of completion of a*
18 *course of instruction; and*

19 *4. Provide for the transfer of credits earned by a student in a*
20 *course of instruction at the Nevada Cyber Institute toward course*
21 *work required of the student for the award of a degree upon*
22 *graduation of the student from any university, state college or*
23 *community college within the System.*

24 **Sec. 8. The Board of Regents, on behalf of the Nevada Cyber**
25 **Institute, may:**

26 *1. Enter into contracts with persons or governmental*
27 *agencies that wish to use the facilities or services of the Nevada*
28 *Cyber Institute, including, without limitation, instructional and*
29 *research services;*

30 *2. Accept gifts or grants of money or property;*

31 *3. Receive and hold any real or personal property, including,*
32 *without limitation, patents, copyrights, royalties and contracts;*
33 *and*

34 *4. Manage, invest, use and dispose of any property received,*
35 *either as specified by the donor or in furtherance of the purposes*
36 *of the Nevada Cyber Institute set forth in section 5 of this act.*

37 **Sec. 9. 1. The Board of Regents may establish policies and**
38 **procedures for personnel of the Nevada Cyber Institute in**
39 **connection with the operation of contractual or sponsored**
40 **activities of the Nevada Cyber Institute, apart from those policies**
41 **and procedures which are applicable to personnel of other**
42 **branches or facilities of the System.**

43 *2. In establishing policies and procedures pursuant to*
44 *subsection 1, the Board of Regents is not bound by any of the*
45 *other provisions of this chapter or the provisions of Title 23 of*



NRS, and none of those provisions are applicable to any person employed in connection with the operation of contractual or sponsored activities of the Nevada Cyber Institute, except as prescribed by the Board of Regents.

Sec. 10. *1. Any money received by the Board of Regents on behalf of the Nevada Cyber Institute pursuant to section 8 of this act may be deposited to the credit of the Nevada Cyber Institute in accounts in any financial institution in the State of Nevada that is federally insured or insured by a private insurer approved pursuant to NRS 678.755.*

2. The Board of Regents may act through any authorized agent in depositing or withdrawing any money in or from such accounts.

Sec. 11. *1. The Board of Regents shall establish fiscal policies and procedures in connection with the operation of contractual or sponsored activities of the Nevada Cyber Institute, apart from those fiscal policies and procedures which are applicable to other branches or facilities of the System.*

2. None of the other provisions of this chapter or the provisions of Title 23 or 31 of NRS or any other statute relating to public officers and employees or public financial administration applies to the receipt, investment, management, disbursement, use, expenditure or accounting of any money or property received by the Board of Regents pursuant to section 8 of this act.

3. Any other money received by or made available to the Board of Regents for the Nevada Cyber Institute is subject to all laws relating to public money and expenditures.

Sec. 12. *When performing any duty, or exercising any power, pursuant to sections 2 to 13, inclusive, of this act regarding the Nevada Cyber Institute, the Board of Regents shall:*

1. Consider any recommendations provided by the Advisory Board relating to the Nevada Cyber Institute; and

2. When considering any such recommendations, take into account the expertise and experience of the members of the Advisory Board in the fields of information technology and cyber security.

Sec. 13. *The Board of Regents shall include information regarding the implementation of the provisions of sections 2 to 13, inclusive, of this act in the plan that the Board of Regents is required to present biennially to the Legislature pursuant to NRS 396.505.*

Sec. 14. NRS 396.020 is hereby amended to read as follows:
396.020 The legal and corporate name of the State University is the University of Nevada. The System of:

1. Universities;



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2. State colleges;
3. Community colleges;
4. Administrative services;
5. Research facilities, including, without limitation:
 - (a) The Desert Research Institute;
 - (b) The Ethics Institute; ~~and~~
 - (c) The Center for the Analysis of Crime Statistics, established within the Department of Criminal Justice at the University of Nevada, Las Vegas; and

(d) The Nevada Cyber Institute; and

6. Departments within the Public Service Division, administered under the direction of the Board of Regents is hereby collectively known as the Nevada System of Higher Education. The System is comprised of such branches and facilities as the Board of Regents deems appropriate.

Sec. 15. NRS 396.828 is hereby amended to read as follows:

396.828 "Pledged revenues" means the money pledged wholly or in part for the payment of bonds or other securities issued hereunder and, subject to any existing pledges or other contractual limitations, may include at the Board's discretion, all loans, grants or contributions to the University or the Board, if any, conditional or unconditional, from the Federal Government, the State, any public body or other donor for the payment of the principal of, the interest on and any prior redemption premiums due in connection with any securities issued hereunder, or any combination thereof, and may include income or money derived from one, all or any combination of the following sources of revenue, including, without limitation, student fees and other fees, rates and charges appertaining thereto:

1. Dormitories, apartments and other facilities for housing;
2. Cafeterias, dining halls and other facilities for food service;
3. Student union and other facilities for student activities;
4. Store or other facilities for the sale or lease of books, stationery, student supplies, faculty supplies, office supplies and like material;
5. Stadium, arena, theater, field house and other athletic or recreational facilities for use in part by spectators or otherwise;
6. Land and any structures, other facilities, or other improvements thereon used or available for use for the parking of vehicles used for the transportation by land or air of persons to or from such land and any improvements thereon;
7. Properties for providing heat or any other utility furnished by the University or the Board to any facilities on its campus;
8. Investments and reinvestments of unrestricted endowments;



1 9. Any revenue derived from or otherwise pertaining to the
2 imposition and collection of fees for dental services provided at a
3 facility of the University; and

4 10. Facilities of the University or the Board, including, without
5 limitation, money from:

6 (a) Grants by any person or the Federal Government;

7 (b) Contracts and leases with any person or governmental entity;

8 (c) The operation of any buildings, structures or other facilities
9 of the University or the Board;

10 (d) The investment of any money of the Desert Research
11 Institute; ~~and~~

12 (e) Any other revenue received by the Desert Research Institute,
13 or by the Board on behalf of the Desert Research Institute pursuant
14 to NRS 396.795 to 396.7956, inclusive ~~+~~;

15 *(f) The investment of any money of the Nevada Cyber*
16 *Institute; and*

17 *(g) Any other revenue derived by the Nevada Cyber Institute,*
18 *or by the Board on behalf of the Nevada Cyber Institute pursuant*
19 *to sections 2 to 13, inclusive, of this act.*

20 **Sec. 16.** NRS 396.8395 is hereby amended to read as follows:

21 396.8395 Subject to any existing pledges or other contractual
22 limitations and to the provisions of NRS 396.810:

23 1. The Board may include, without limitation, as pledged
24 revenues for the payment of bonds or other securities issued
25 hereunder:

26 (a) The gross revenues derived from the fees designated as the
27 capital improvement fee, the student union building fee, the student
28 center building fee, and the student union capital improvement fee,
29 or words of similar import, except for the words pertaining to any
30 such fee designating the campus or campuses of the System to
31 which the pledged fee or fees pertain, or any combination thereof;
32 and

33 (b) The gross revenues derived from the fee designated as the
34 general fund fee, except for the words pertaining thereto designating
35 the campus or campuses of the system to which the pledged fee
36 pertains, but subject to the limitation stated in subsection 5 of
37 NRS 396.840.

38 2. The Board may also include, without limitation, as pledged
39 revenues for the payment of bonds or other securities issued
40 hereunder, regardless of the location of the campus or campuses on
41 which the project or projects are to be done for which the securities
42 are authorized, the pledged revenues designated in subsection 1
43 pertaining to:



- 1 (a) One, all or any combination of the campuses relating to the
- 2 community colleges if the project or projects relate thereto and to
- 3 one or more campuses thereof; or
- 4 (b) Either or both the University of Nevada, Reno, and the
- 5 University of Nevada, Las Vegas, if the project or projects relate to
- 6 either of those campuses, the Desert Research Institute , *the Nevada*
- 7 *Cyber Institute* or any combination thereof.

