## THE SEVENTY-THIRD DAY

CARSON CITY (Wednesday), April 17, 2013

Senate called to order at 11:21 a.m.

President pro Tempore Parks presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Larry Unterseher.

Let us pray.

Father God, we ask Your blessing on this special day as we celebrate the life and accomplishments of two of Nevada's finest servant leaders: Sue Wagner and Bernice Mathews. They have provided us with quality leadership while being outstanding role models for our youth for generations to come. Give them overwhelming blessings as they continue their lives of service.

We ask also Your blessing on this Senate Floor Session. Be with each Senator as they ably undertake the challenges and possibilities that confront this great State. Give them wisdom as they work to make Nevada a haven for its citizens and for all who enter its territory.

We ask for these blessings in Your most holy and precious Name.

AMEN.

Pledge of Allegiance to the Flag.

The President pro Tempore announced that under previous order, the reading of the Journal is waived for the remainder of the 77th Legislative Session and the President pro Tempore and Secretary are authorized to make any necessary corrections and additions.

## REPORTS OF COMMITTEES

Mr. President pro Tempore:

Your Committee on Commerce, Labor and Energy, to which were referred Senate Bills Nos. 36, 41, 261, 493, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

KELVIN ATKINSON, Chair

Mr. President pro Tempore:

Your Committee on Education, to which was referred Senate Bill No. 269, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JOYCE WOODHOUSE, Chair

Mr. President pro Tempore:

Your Committee on Government Affairs, to which was referred Senate Bill No. 232, has had the same under consideration, and begs leave to report the same back with the recommendation:

Re-refer to the Committee on Finance

DAVID R. PARKS, Chair

Mr. President pro Tempore:

Your Committee on Health and Human Services, to which were referred Senate Bills Nos. 318, 381, 449, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JUSTIN C. JONES, Chair

Mr. President pro Tempore:

Your Committee on Transportation, to which were referred Senate Bills Nos. 317, 322, 343,

428, 429, 456, 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

#### MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 16, 2013

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 135, 194, 198, 233, 255, 281, 322, 337, 350, 432, 445, 483, 492, 493, 495.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 8, 11, 29, 60, 65, 109, 144, 221, 300, 377, 393.

MATTHEW BAKER
Assistant Chief Clerk of the Assembly

# WAIVERS AND EXEMPTIONS NOTICE OF EXEMPTION

April 17, 2013

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the eligibility for exemption of: Assembly Bill No. 256.

CINDY JONES
Fiscal Analysis Division

### MOTIONS, RESOLUTIONS AND NOTICES

By Senators Denis, Atkinson, Brower, Cegavske, Ford, Goicoechea, Gustavson, Hammond, Hardy, Hutchison, Jones, Kieckhefer, Kihuen, Manendo, Parks, Roberson, Segerblom, Settelmeyer, Smith, Spearman and Woodhouse:

Senate Resolution No. 5—Inducting Sue Wagner into the Senate Hall of Fame.

WHEREAS, The Senate of the Legislature of the State of Nevada has established a Senate Hall of Fame whose members are selected by leadership from those past Senators who have served with distinction and who have made exemplary contributions to the State of Nevada; and

WHEREAS, Sue Wagner was born in Portland, Maine, and received a Bachelor of Arts in Political Science from the University of Arizona and a Master of Arts in History from Northwestern University in Evanston, Illinois; and

WHEREAS, During her career, Sue worked as a newspaper reporter, an educator in government and history at the high school and college levels, and in special assistant positions at Ohio State University and the Desert Research Institute; and

WHEREAS, Sue Wagner was married to the late Dr. Peter Wagner, who lost his life in 1980 while conducting research for the Desert Research Institute, and is the mother of their two children Kirk and Kristina; and

WHEREAS, Sue Wagner was first elected to the Nevada Assembly from Washoe County in 1974, serving in that position for 6 years until her election to the Nevada Senate in November 1980, being only the fifth woman to be elected to the Nevada State Senate; and

WHEREAS, Senator Wagner chaired the Senate Committee on Judiciary during the 1987 and 1989 Legislative Sessions, the first woman in Nevada history to serve in that capacity, and also served on the Senate Standing Committees on Government Affairs and Legislative Affairs and Operations, and chaired a number of special studies during the Interim period between Sessions, including the Legislative Commission's Subcommittees on the Nevada Prison System (1979-81), Development of a Master Plan for the Nevada Prison System (1981-82), Grand Juries in Nevada (1983-84), Foster Care Provided to Children in Nevada (1985-86) and the Study of Alternative Methods of Resolving Disputes (1989-90); and

WHEREAS, During her career as a State Senator, Senator Wagner was the primary sponsor of numerous bills that were enacted and signed into law, including measures affecting families, women and children, domestic violence, persons with disabilities, smoking in public buildings,

ethics in government, growth management and regional planning, prison-related issues, elections and election campaign reform, conservation, public health and sample ballots for constitutional amendments; and

WHEREAS, Following 10 years of service in the Nevada State Senate, Senator Wagner was elected as Lieutenant Governor of Nevada in 1990 and, as Lieutenant Governor from 1991 through 1995, presided over the Floor Sessions of the Senate during the Regular Sessions of 1991 and 1993; and

WHEREAS, Starting in 1995, Sue Wagner was in charge of the legislative intern program for the University of Nevada, Reno, which allows university students who may be interested in a career in government or elective office to assist a member of the Legislature during regular Legislative Sessions; and

WHEREAS, In April 1997, Sue Wagner was appointed to the Nevada Gaming Commission by former Governor Bob Miller where she served for over 11 years; and

WHEREAS, Some of the numerous honors, awards and accomplishments which Sue Wagner has received include: Humanitarian of the Year from the National Conference of Christians and Jews; Outstanding Woman in Government from the Governor's Conference on Women; Conservation Legislator of the Year from the Nevada Wildlife Federation; Breaking the Glass Ceiling Award from the Women Executives in State Government; the Professional Achievement Award from the University of Arizona Alumni Association; the Nevada Merit Mother of the Year Award from the American Mother's Association; Woman of the Year from the Commission on the Status of Women; and Woman of Distinction Lifetime Achievement from the Capital Women's Political Caucus; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, That Sue Wagner, who has dedicated many years of her life to the service of the people of the State of Nevada at the University of Nevada, Reno, as a member of both the Nevada Senate and Assembly, as Lieutenant Governor of Nevada and as a member of the Nevada Gaming Commission, is hereby inducted into the Senate Hall of Fame of the Legislature of the State of Nevada.

Senator Denis moved the adoption of the resolution. Remarks by Senators Denis, Smith, Brower and Cegavske.

SENATOR DENIS:

Thank you, Mr. President pro Tempore. It is my great honor to endorse former Senator Sue Wagner's induction into the Nevada Senate Hall of Fame. Although none of our current members had the privilege of serving with you in the Senate, your sterling reputation as an extraordinary Senator and President of the Senate lives on in this Body. Although you should have received this recognition and honor many years ago, I am pleased that today we can give you our most sincere thanks for all you have done on behalf of Nevada and its residents.

I understand that Sue's early inspiration to serve the public in elective office came from a prominent member of the United States Senate who was also from Maine, Margaret Chase Smith. Sue met Senator Smith when she was just a child. Apparently it was a great meeting as Sue went on to idolize Senator Smith and regard her as her personal role model. Sue, I feel certain that if she were still with us, Senator Margaret Chase Smith would be so proud of you today.

Senate Resolution No. 5 does not go into much detail on Sue's extremely active and committed efforts on behalf of the Legislature between Sessions. She was particularly active in both the Council of State Governments as well as its regional component, the Western Legislative Conference. Here in Nevada, she served on numerous interim studies and chaired the Legislative Commission's Subcommittees on: Nevada Prison System from 1979 to 1981; Development of a Master Plan for the Nevada Prison System from 1981 to 1982; Grand Juries in Nevada from 1983 to 1984; Foster Care Provided to Children in Nevada from 1985 to 1986; and the Study of Alternative Methods of Resolving Disputes from 1989 to 1990. She also chaired the Committee to Review Regulations in 1989 and 1990.

It also should be noted that starting in 1995, Sue was in charge of the legislative intern program for the University of Nevada, Reno. This ongoing program pairs university students who may be interested in a career in government or elective office with members of the

Legislature in Carson City. The program operates each Legislative Session and a number of Nevadans have benefitted from this special experience.

It was in 1990, while in the middle of her third four-year term as a State Senator that Sue decided to seek election as Lieutenant Governor of Nevada. On September 3, 1990, after making a number of campaign stops on the eve of Nevada's primary election, the small plane in which Sue was a passenger crashed just outside of Fallon. One person died in that crash and Sue and others on board were seriously injured. Nevertheless, she won that primary election and went on to a convincing win in November, making her the first woman to be elected as Nevada's Lieutenant Governor. Following four years of outstanding service in that office, Sue decided against seeking additional elective office. But, she continued to serve the people of Nevada by serving as an appointed member of the Nevada Gaming Commission from 1997 to 2009. If my math is correct, Sue was an elected or appointed State officer for 32 years.

On behalf of the entire Nevada Senate, we extend our most sincere thanks to Sue Wagner for her outstanding years of service to the people of Nevada.

#### SENATOR SMITH:

It is my honor to rise in support of Senate Resolution No. 5 inducting my friend Sue Wagner into the Nevada Senate Hall of Fame. As the Majority Leader said, this honor is long overdue. I am so happy that Sue is here today for this celebration.

When I think of Sue, which is often, a number of words immediately come to mind: friend, leader, role model, mentor, innovator, advocate for women and children and dedicated public servant. Sue, you have been such an inspiration to me and so many other Nevadans. Thank you for all you have done on behalf of the people of the State of Nevada.

Senate Resolution No. 5 before us does a great job of capturing, in very brief form, many of those contributions Sue made for the well-being of Nevada's citizens. But, her accomplishments are far too numerous for a resolution of this type. Her amazing work for women will never be forgotten. Because of Sue's teamwork and bipartisan attitude, women have funding for domestic violence protections and are protected in the *Nevada Constitution* with a pro-choice amendment.

Sue was a partner, colleague and friend of my friend and predecessor, Jan Evans. The two women often led the way on many decisions affecting the women and children in our State. Sue, I am most grateful for your work and I know that today our friend Jan is smiling down on you and your accomplishments.

Several years ago I had the opportunity to serve as a mentor in a women's leadership institute program for women who wanted to run for office. One of the evenings was spent at a fireside chat with Sue Wagner telling her story. The room was full of young women. It was amazing to me; you could have heard a pin drop as Sue told her story over a couple of hours. They were so interested in her life and her accomplishments and all that she meant to the State. It made me realize how very much you have contributed and how powerful your story is to the rest of the women in this State.

Sue Wagner has had much triumph, adversity and tragedy in her life; she soldiered through loss and pain to be an accomplished woman and a loving mother. Sue Wagner serves as a true inspiration for us all and richly deserves a prominent place among our other great Senate leaders as a member of the Senate Hall of Fame.

#### SENATOR BROWER:

It is an honor to rise in support of Senate Resolution No. 5. It is my great privilege to say a few words about a truly great Nevadan and my constituent—Sue Wagner.

Sue contributed so much to the Senate as a member of this Body and as Lieutenant Governor. I only regret that it has taken us so long to honor her with induction into the Senate Hall of Fame, an honor she richly deserves.

When Sue first ran for the Legislature in 1974 she was the perfect candidate: smart, well educated, hardworking, had a great family and she was a woman. Even though I wasn't old enough to vote in 1974, I do know that being a woman at that time was not generally considered to be a good thing for a political candidate. It was still somewhat unusual. Sue helped to destroy that conventional wisdom, blazing a trail for many to follow.

Yesterday, my colleague from Senate District No. 3 made a joking reference to my relationship with former Assemblywoman Barbara Buckley. I will tell you I enjoyed serving

with Barbara very much; we had a very good relationship and agreed on many important things—not everything, but on many very important issues. I recall sitting in my office in Washington, D.C. when I first learned that Barbara would be Nevada's first woman speaker. I wrote her a note to congratulate her and I also mentioned to her how proud I was that I could go home that evening and tell my daughters that their home state was going to have its first woman Speaker; that was more proof that they could do anything they wanted to in their lives. I am confident that Barbara would be the first to acknowledge that it was Sue Wagner and others like her that made all of it possible.

The resolution before us today highlights many of Sue's accomplishments; I would like to highlight just one. That is her support of business and economic development. She was a champion of legislation aimed at building Nevada's economy. As Lieutenant Governor, she chaired our State Commission on Economic Development. She later went on to serve with great distinction as a member of the Nevada Gaming Commission.

Finally, I would like to share an excerpt from a great book titled *The Maverick Spirit: Building the New Nevada.* This book briefly profiles 15 great Nevadans who made our State what it is today. Sue can be found in Chapter 14 between former Senator Bill Raggio and Jerry Tarkanian. In the chapter about Sue, it describes her as follows: "a fair minded, courageous political leader, an independent woman who never hesitated to vote her conscience regardless of party dogma or public opinion. From her first days in Carson City, beginning in 1975, she showed no fear of challenging conventional political values, and voters of both parties recognized that hers was a career dedicated to principal rather than expediency. She had helped break down many unwritten, but nonetheless powerful, barriers that confronted talented and qualified women seeking careers in public service in Nevada. And she did so with extraordinary grace and courage."

Thank you Sue for your incredible service to our State and congratulations on your induction to the Nevada Senate Hall of Fame.

## SENATOR CEGAVSKE:

I rise in support of Senate Resolution No. 5 and it is my pleasure to provide a few words in tribute to an outstanding former State Senator Sue Wagner. I am particularly pleased that both of our Hall of Fame inductees this year are women. Only three women have been so honored by this Body in the past: former State Senators Helen Herr, Ann O'Connell and Dina Titus. So to both Sue and Bernice—my dear friends—I offer my sincere thanks and congratulations for your many years of service to the State of Nevada.

Before I go on, I would like to talk briefly about Sue's wonderful family. She is so proud of her son Kirk, who is an attorney living in Carmel Valley, California. His three teenage daughters, Annabelle, Olivia and Grace, also make Grandmother Sue very proud. Daughter Kristina Cook works in the university administration in the San Diego area and also is the mother of Sue's fourth grandchild, Peter, who is two years old.

Let me now highlight just a couple of topics of great importance to all women. Of course, Sue participated in the national debate over the Equal Rights Amendment to the *United States Constitution*. She proved to be an eloquent and persuasive advocate of this measure, and although it was not approved, the debates certainly served to improve the standing of women in our society today. But let me turn to 1989, which was to be Sue's last regular Session as a State Senator. She successfully sponsored Senate Bill 287 that year, which provided for the establishment of centers for "displaced homemakers" in both Clark County and Washoe County. The law is primarily designed to assist those women who stayed at home to raise a family, only to be faced later with a divorce or the death, disability or job loss of a spouse. Among other things, the centers created by the bill provide counseling services and courses of instruction to assist "displaced homemakers" in finding and retaining employment. We thank you for that and for its success.

In closing, I want to thank you, Sue, for being such an outstanding and early role model for women in the Legislature. Only four women had ever been elected to serve in this Body up to your election in 1980. It also should be noted that you were the top vote-getter in a multi-member district that year, a true sign of your popularity with the voters. Today, it is almost

taken for granted that a significant number of our members will be women. Thank you, Sue, for helping lead the way. Congratulations.

Resolution adopted unanimously.

By Senators Denis, Atkinson, Brower, Cegavske, Ford, Goicoechea, Gustavson, Hammond, Hardy, Hutchison, Jones, Kieckhefer, Kihuen, Manendo, Parks, Roberson, Segerblom, Settelmeyer, Smith, Spearman and Woodhouse:

Senate Resolution No. 6—Inducting Bernice Mathews into the Senate Hall of Fame.

WHEREAS, The Senate of the Legislature of the State of Nevada has established a Senate Hall of Fame whose members are selected by leadership from those past Senators who have served with distinction and who have made exemplary contributions to the State of Nevada; and

WHEREAS, Bernice Mathews was born in Jackson, Mississippi, and moved to Reno, Nevada, in the 1950s, where she received a Bachelor of Science in Nursing and a Master of Education in Administration of Higher Education from the University of Nevada, Reno; and

WHEREAS, During her nursing career, Bernice Mathews advanced from a staff nurse to a head nurse at Washoe Medical Center and from a clinical nursing instructor to the Director of Health Sciences and Nursing at Truckee Meadows Community College; and

WHEREAS, Bernice Mathews also became a small business owner, operating a sky cap service and a gift shop at the Reno-Tahoe International Airport with her daughter Aileen; and

WHEREAS, Bernice Mathews is the proud mother of her children Arnold II, Anthony, Aileen, Barbara, Ruben, Clive and Allen (deceased); and

WHEREAS, Bernice Mathews was elected to the Reno City Council in 1991 where she was appointed Assistant Mayor, and in November 1994 was elected to the Nevada State Senate representing Washoe County Senatorial District No. 1, a position she held for 16 years, concluding her service in the Senate in November 2010 following 8 regular sessions and 10 special sessions; and

WHEREAS, During her legislative career, Senator Mathews served in Senate leadership, including Senate Minority Whip in 1999 and Assistant Minority Leader from 2001 through 2008, and in the 2009 Session served as co-chair of the influential Senate Committee on Finance, a committee on which she served for all 16 years of her legislative service; and

WHEREAS, Senator Mathews served on other standing committees, including those concerned with human resources and facilities, education, legislative affairs and operations, elections and natural resources, and served on numerous policy and study committees during the Interim period between sessions, including the Interim Finance Committee and over 20 study committees; and

WHEREAS, Senator Mathews was the primary sponsor of numerous bills that were enacted and signed into law, including measures concerning public education, facilities for persons with disabilities, books for school libraries, postsecondary education, persons with hearing impairments, meetings of public bodies, insurance for school employees, cancer screening, occupational diseases, police and firefighting personnel, public guardians, domestic abuse, mental health services and motor vehicle insurance; and

WHEREAS, Some of the numerous honors, awards and accomplishments which Bernice Mathews has received include: Nevada Mother of the Year; Member of the Hall of Fame of the Nevada Women's Fund; Outstanding Alumni from the University of Nevada, Reno, School of Nursing; Business Woman of the Year from the Negro Business and Professional Women; the Outstanding Service Award from the Washoe County Airport Authority; the Dean's Award from the University of Nevada, Reno's School of Medicine; and the President's Medal from Truckee Meadows Community College; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, That Bernice Mathews, who has dedicated many years of her life to the service of the people of the State of Nevada as a practicing nurse, as a member of the Reno City Council, as an educator and administrator and as

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a member of the Nevada State Senate for 16 years, is hereby inducted into the Senate Hall of Fame of the Legislature of the State of Nevada.

Senator Denis moved the adoption of the resolution.

Remarks by Senators Denis, Smith, Hardy, Kieckhefer and Atkinson.

# SENATOR DENIS:

I rise to speak in favor of Senate Resolution No. 6. I would like to mention some of the contributions that former Senator Mathews made to education in our State. It is something we share—a love for our kids and their education.

Former Senator Mathews' life is a testimony to the importance and the power of education. As a student, growing up in the segregated South, she understood what it was to be denied equal opportunities to study. Many of the years of her adulthood were occupied in the pursuit of education. In fact, a passion for learning is one of the central themes of her life.

As a mother of a large family, she had daily contact for many years with the teachers, staff and administrators of the Washoe County public schools. As an adult student at Washoe Western School of Practical Nursing, as an undergraduate and a graduate student at the University of Nevada and finally as an instructor and an administrator at Truckee Meadows Community College, she came to know our system of higher education inside and out. These experiences made her uniquely qualified to participate in making education policy.

As a Legislator, former Senator Mathews served as a member of the Senate Committee on Education from 1999 to 2010, weighing and considering proposals that have had a profound and lasting impact on students in our State. During her years of service, she was the primary sponsor for bills on public education, books for school libraries, postsecondary education and group insurance for school district employees, among other topics. She also served on study committees that dealt with subjects closely related to education, such as children and families, persons with disabilities and autism.

Whether they realize it or not, the students of our great State are the beneficiaries of her experience, her wisdom and her untiring devotion. Few other Legislators—and few other teachers—have done as much as former Senator Mathews to ensure that our children have a chance to reach the full measure of their potential. I can only hope that during my legislative service I can accomplish a small portion of what former Senator Mathews has. For this accomplishment, she deserves a place in our Senate Hall of Fame.

#### SENATOR SMITH:

I am honored to rise in support of Senate Resolution No. 6 inducting former Senator Bernice Mathews into the Nevada Senate Hall of Fame. Former Senator Mathews served 16 years in the Nevada Senate with great ability, dignity and integrity. Among many other positive attributes, Bernice was known for her intelligence, compassion, work ethic, leadership, teamwork, good old common sense and, as we all know, a great sense of humor.

At the spry age of 60, Bernice was just getting started in her second career as an elected public officer. Long an advocate for "good public policy," she was seeking an elective office that was involved in the development of policy at the State level. She campaigned hard and won the November 1994 General Election to become a Nevada State Senator. We are all very lucky for that.

Senate Resolution No. 6 and the corresponding paper program before us today list some of the subjects addressed by enacted legislation which former Senator Mathews participated and of which she sponsored. I'd like to highlight just two examples. Senate Bill 245 of the 2001 Legislative Session provided for the regulation of interpreters for persons who are deaf or hearing impaired. The bill went on to declare the practice of interpreting to be a learned profession affecting public health, safety and welfare, and subject to regulation to protect the general public from the practice of interpreting by unqualified persons. The other example is Senate Bill 312 of the 2009 Legislative Session. The bill was designed to reduce the number of uninsured vehicles on Nevada's streets and highways by requiring the Department of Motor Vehicles to send an insurance verification form to all vehicle owners it determines to be

uninsured. These bills will have lasting effects on this State. Along with my colleagues, we express our shared gratitude for your efforts on both of those causes.

In Nevada we pride ourselves on being a "citizen legislature." Bernice Mathews is a perfect example of a very busy citizen who took the time required to serve in this Body. She was a nursing student who rose through the ranks to become head of the nursing program at Truckee Meadows Community College. She also served as an elected member of the Reno City Council for three years and operated two businesses at the Reno-Tahoe International Airport. Anyone taking an early morning flight out of Reno still sees her there, sitting behind the counter of her business. Despite all of this, or perhaps because of all of this, Bernice has made the perfect addition to the Nevada Senate with her wide-ranging interests and experiences. The Nevada Senate, Bernice, is a better place because of the hard and consistently excellent work you have performed in this Body.

You have always treated your colleagues, staff and the public with the utmost respect and compassion. And you have always stood up for the underdog. In my time here, I have watched you closely and tried to emulate the way you treat people.

Thank you, Bernice, for all you have done for the Nevada Senate, the State of Nevada and for our citizens.

#### SENATOR HARDY:

I also wish to rise in support of Senate Resolution No. 6 inducting former Senator Bernice Mathews, her maiden name, into the Senate Hall of Fame.

As a medical doctor, I have tremendous respect for nurses and the nursing profession. So I would like to say a few things about former Senator Mathews and her career in that demanding and difficult profession.

Former Senator Mathews came to this profession the hard way: beginning as a nurse's aide, then becoming a practical nurse, then a registered nurse, earning her bachelor's degree, advancing from staff nurse to head nurse at Washoe Medical Center, earning a master's degree, becoming a nursing instructor at Truckee Meadows Community College and finally becoming head of the health science and nursing program at that institution. Keep in mind that she did all this while raising a large family.

In the December 12, 1959, edition of the *Reno Evening Gazette*, there appeared an article about the Washoe Western School of Practical Nursing. The article was accompanied by a photograph of a classroom full of students, dressed in crisp white uniforms and starched white caps like nurses used to wear in those days. The students are looking at a human skeleton and other anatomical displays. The caption of the photograph identifies one of the students, sitting on the front row as "Mrs. Bernice Martin." This is her married name, although she has made it clear that she has been happily divorced for more than 40 years.

Nine years later, the January 5, 1969, edition of the *Nevada State Journal* includes this interesting item: "Hats off to Mrs. Bernice Martin, a Junior in the Orvis School of Nursing at the University of Nevada, who has been named recipient of the Allstate Foundation nursing scholarship. Serving as second vice president of the Nevada Student Nurses Association, District 1, Mrs. Martin is the mother of four children and resides in Reno."

The next year, on December 23, 1970, the *Reno Evening Gazette* ran an article on the hazards of the Christmas holidays. The article included comments by emergency room nurses and noted in passing that Mrs. Bernice Martin would be one of the nurses on duty in the emergency room on Christmas day. I would imagine that it must have sometimes been difficult for her, as a mother, to be away from her young family on those special holidays so that others could receive the care they needed.

Former Senator Mathews—Bernice—we salute you for your contributions to the nursing profession and to medical care in our State. You are a shining example to women everywhere, who work so hard to balance the demands of education, career and family life.

We love you. Thank you, Bernice.

#### SENATOR KIECKHEFER:

Thank you, Mr. President pro Tempore. I am not sure how I am going to compete with Senator Hardy.

I rise in support of Senate Resolution No. 6. Like me and many of us, Bernice is not a native Nevadan, but is a Nevadan by choice. I came here originally in 2003 as a reporter to cover the Legislature when former Senator Matthews was in this Body. I found her to be one of the most welcoming and kind people to me as I came into this building and had my introduction to Nevada politics. She was clearly someone who knew what was going on, versus some who might have known the happenings here or there. She very clearly put forward her tremendous sense of humor. She paid attention to the details of the legislation she cared about.

In 1991, Bernice decided to run for a seat on the Reno City Council to take care of some issues she believed to be important; she displayed immediate leadership. She was appointed Assistant Mayor in 1993. She made a name for herself by talking to a disgruntled and disturbed taxi driver, who had doused himself with gasoline and threatened to set himself on fire. She talked with him—using her skills as a person—and convinced him that he would be heard and listened to if he would just put down his cigarette lighter. She was successful; a disastrous suicide and potential explosion were avoided that day due to her ability to take a common-sense approach to a difficult situation. She talks to people and tries to resolve differences; that's the type of Legislator she became in 1994 when she was first elected to the State Senate.

I note that Bernice stayed consistent with the advice of an earlier great member of Nevada's Senate Hall of Fame, the late former Senator Carl Dodge of Fallon. He recommended that every newly elected Legislator should walk into this building and spend the first Session as an apprentice and learn about the issues that they will face as they go through their legislative careers. She did just that, and by the start of her second regular Session in 1997, she was fully ready to engage and did so on a wide range of issues, many of which you have heard about here today.

One I would like to highlight is Senate Bill 183 of the 2003 Session. That piece of legislation came out of an experience with one of her colleagues in the Senate at that time, former Senator Maurice Washington. He had a personal experience with cancer, and Bernice took the initiative and put forward a piece of legislation that requires a policy of insurance that covers treatment for colorectal cancers shall also cover screenings for it. She passed that into law and it remains the current law of this State.

As a former journalist, like former Senator Mathews I pay attention to the details: have you ever stopped at the gift shop in the Reno-Tahoe International Airport called Traveller Gifts? I always wondered why she misspelled the word "traveler"—the name of her business has an extra letter "L" in there. I recently learned that Traveller was not misspelled, it was simply a way for Bernice to recognize one of the more famous horses of all time—General Robert E. Lee's faithful steed of that same name and spelling.

Bernice, thank you for being such a wonderful person. Thank you for being the person I always look for in the airport when I walk through; you are my favorite person to see at the airport. And thank you for imparting wisdom on me even though I have not had the privilege of serving with you.

I feel honored to know you and call you a friend. Congratulations on your induction here today.

#### SENATOR ATKINSON:

It is my distinct pleasure to enthusiastically endorse and support the resolution inducting former Senator Bernice Mathews into the Nevada Senate Hall of Fame. She served with great dignity and efficiency in this Body for 16 years, from 1996 to 2010. She was a very special Legislator who was able to work effectively with just about everyone in the building: Senators and Assembly Members; Democrats and Republicans; women and men; lobbyists and the media; State agency representatives; and particularly the legislative staff.

When Bernice had to step down from office because of our Constitutional term limits—so many of us were very saddened to see her go. Thank you, Bernice Mathews, for your many years of great service in the Nevada Senate, in the Reno City Council and as an important faculty member and department head in Nevada's System of Higher Education.

Bernice has many "firsts" associated with her name, including: first African-American elected to the Reno City Council; first African-American woman elected to the Nevada Senate; first African-American in the Nation to head a college-level nursing program; first woman to

Chair Nevada's Senate Committee on Finance; and so on. But, Bernice Mathews is really a very modest person who prefers not to be remembered for her list of "firsts." Instead, she prefers others to focus on her broad range of public service in education and elective office, where she believed strongly in serving and representing "everybody, regardless of race, creed or color." And those are her own words.

Never one to become complacent with her many activities and accomplishments and with a strong desire to serve others, in 1991 Bernice Mathews ran for a seat on the Reno City Council. Among other reasons for seeking this office, she was disturbed when her beloved pond at Paradise Park in Reno dried up. After all, it was the place where she would take her children and others in the neighborhood to fish, which she considered to be a great alternative to youth simply out on the streets. She ran that year against an incumbent, but worked really hard to win the election and a seat on the City Council, where she went on to become Assistant Mayor.

Whether a member of the community, college faculty, Reno City Councilwoman or Nevada State Senator, Bernice Mathews continually advocated for quality public education in Nevada. In recognition of her years of service and support of public schools, she was honored by the Washoe County School District, which in 1997 opened a new school in Reno bearing her name. Today, Bernice Mathews Elementary School is a multi-track, kindergarten through grade 6, year-round school located in north Reno; it's not far from Paradise Pond, which now has adequate water to support fishing again.

I remember being a freshman in the Nevada Assembly 11 years ago and hearing of Senator Bernice Mathews. I ran into her in the hall during my first week. I went up to her and I said, "Hello Senator Mathews!" She replied, "Who are you?" She then remembered I was serving in the other House. She scolded me because I hadn't been over to talk to her. I knew I had better get over to her office. I don't know what else I had on the calendar, but I made my way down to former Senator Mathews' office—which I called her woodshed.

I don't know that we talked about any legislation; we discussed family and other things. She joked with me and then remembered my daughter being with me on the opening day of that Legislative Session—my daughter was five years old, missing teeth and in ponytails. My daughter is now 17 years old and former Senator Mathews, I would like to show you her picture before you leave. I remember former Senator Mathews telling me to make sure I raised my daughter right.

Former Senator Mathews is someone I looked up to in this Body. I was a bit intimidated by her, but I don't know if she ever knew that. As her daughter reminded me, Bernice has a lot of bark, but no bite. This is the first time I have had the opportunity to speak to your daughter, but she is definitely your daughter. She has the same smile, and she is back here organizing just like you.

I am happy to have the pleasure of meeting her and the rest of your family. I am happy to know your son Anthony changed his registration last year; I won't say to what. [laughter] I said it makes me happy so that should give you all a hint. Maybe he hasn't told you yet, Ms. Mathews, so maybe I may be starting something.

Former Senator Mathews' contributions to this Body are immense. She taught so much to those of us coming in. One thing I took away from her and I repeat often—especially during the last few weeks to some of our own members—is the one thing you honor in this building is your word. Once you give your word, you have to keep it. I live by that. It was the first thing Bernice told me when I came to see her that day 11 years ago.

Thank you. I love you. I appreciate you. This building has never been the same without you.

Resolution adopted unanimously.

Mr. President pro Tempore announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 12:20 p.m.

# SENATE IN SESSION

At 2:19 p.m.

President pro Tempore Parks presiding.

Quorum present.

Senator Smith moved that Senate Bill No. 232, just reported out of Committee, be re-referred to the Committee on Finance.

Motion carried.

Senator Smith moved that Senate Bills Nos. 192, 229, 314, 470, be taken from the General File and placed on the General File for the next legislative day.

Motion carried

Senator Smith moved that Senate Bill No. 350 be taken from the General File and placed on the Secretary's Desk.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 8.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 11.

Senator Smith moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

Assembly Bill No. 29.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 60.

Senator Smith moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 65.

Senator Smith moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 109.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 135.

Senator Smith moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 144.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 194.

Senator Smith moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 198.

Senator Smith moved that the bill be referred to the Committee on Transportation.

Motion carried.

Assembly Bill No. 221.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 233.

Senator Smith moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 255.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 281.

Senator Smith moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 300.

Senator Smith moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 322.

Senator Smith moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

Assembly Bill No. 337.

Senator Smith moved that the bill be referred to the Committee on Education.

Motion carried.

Assembly Bill No. 350.

Senator Smith moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

Assembly Bill No. 377.

Senator Smith moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 393.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 432.

Senator Smith moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

Assembly Bill No. 445.

Senator Smith moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 483.

Senator Smith moved that the bill be referred to the Committee on Natural Resources.

Motion carried.

Assembly Bill No. 492.

Senator Smith moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

Assembly Bill No. 493.

Senator Smith moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 495.

Senator Smith moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

#### SECOND READING AND AMENDMENT

Senate Bill No. 2.

Bill read second time and ordered to third reading.

Senate Bill No. 27.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 27.

"SUMMARY—[Clarifies the authority of the Attorney General to appear in civil actions to defend state judicial officers who are sued for certain acts or omissions related to their public duties or employment.] Revises provisions relating to the legal representation of certain persons by the Attorney General or the chief legal officer of a political subdivision of this State in certain civil actions. (BDR 3-219)"

"AN ACT relating to legal representation; [clarifying the authority of the Attorney General to provide for the legal defense of state judicial officers in civil actions relating to their public duties or employment;] revising provisions governing the legal representation of certain persons by the Attorney General or the chief legal officer of a political subdivision in civil actions relating to certain public duties or employment; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the Attorney General provides legal counsel to any present or former officer or employee of the State, any immune contractor or any State Legislator in a civil action brought against that person based on any alleged act or omission relating to the person's public duty or employment if: (1) the person submits a written request for such legal counsel; and (2) the Attorney General determines that it appears that the person was acting within the course and scope of his or her public duty or employment and in good faith. In addition, under existing law, the chief legal officer or other authorized legal representative of a political subdivision of this State provides legal counsel to any present or former officer of that political subdivision or a present or former member of a local board or commission if: (1) the person submits a written request for such legal counsel; and (2) the chief legal officer or authorized legal representative determines that it appears that the person was acting within the scope of his or her public duty or employment and in good faith. (NRS 41.0339)

[This] Sections 2-3 and 3.7-8 of this bill [elarifies] clarify existing law by specifically requiring: (1) the Attorney General to provide legal counsel under these circumstances to any present or former justice of the Supreme Court, senior justice, judge of a district court or senior judge [-]; and (2) the chief legal officer or other authorized legal representative of a political subdivision of this State to provide legal counsel under these circumstances to any present or former justice of the peace, senior justice of the peace, municipal judge or senior municipal judge of that political subdivision. In

addition, sections 2-3 and 3.7-8 require the Attorney General or the chief legal officer or other authorized legal representative of a political subdivision of this State to provide counsel for certain persons who are not employees or officers of the State or political subdivision but who are named as defendants in a civil action solely because of an alleged act or omission relating to the public duties or employment of certain officers or employees of the State or political subdivision.

Section 3.3 of this bill clarifies that the statutory provisions relating to legal representation in civil actions relating to the public duties or employment of such persons do not abrogate, alter or affect the immunity of such persons under other law.

Section 8.5 of this bill provides that for the 78th Session of the Nevada Legislature, the Director of the Department of Administration must include the biennial cost of implementing this bill in the Attorney General's cost allocation plan.

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

- Section 1. Chapter 41 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 [and 3] to 3.3, inclusive, of this act.
- Sec. 2. As used in NRS 41.0338 to 41.0347, inclusive, and sections 2 fand 31 to 3.3, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 41.0338 and fsection1 sections 2.5 and 3 of this act have the meanings ascribed to them in those sections.
- Sec. 2.5. "Local judicial officer" means a justice of the peace, senior justice of the peace, municipal judge or senior municipal judge.
- Sec. 3. "State judicial officer" means a justice of the Supreme Court, senior justice, judge of a district court or senior judge.
- Sec. 3.3. The provisions of NRS 41.0338 to 41.0347, inclusive, and sections 2 to 3.3, inclusive, of this act do not abrogate or otherwise alter or affect any immunity from, or protection against, any civil action or civil liability which is provided by law to a local judicial officer, state judicial officer, officer or employee of this State or a political subdivision of this State, immune contractor, State Legislator, member of a state board or commission or member of a local board or commission for any act or omission relating to the person's public duties or employment.
  - Sec. 3.7. NRS 41.0337 is hereby amended to read as follows:
- 41.0337 <u>I.</u> No tort action arising out of an act or omission within the scope of a person's public duties or employment may be brought against any present or former:
  - [1.] (a) Local judicial officer or state judicial officer;
  - (b) Officer or employee of the State or of any political subdivision;
  - [2.] (c) Immune contractor; or
  - [3.] (d) State Legislator,

- → unless the State or appropriate political subdivision is named a party defendant under NRS 41.031.
- 2. No tort action may be brought against a person who is named as a defendant in the action solely because of an alleged act or omission relating to the public duties or employment of any present or former:
  - (a) Local judicial officer or state judicial officer;
  - (b) Officer or employee of the State or of any political subdivision;
  - (c) Immune contractor; or
  - (d) State Legislator,
- <u>→ unless the State or appropriate political subdivision is named a party</u> defendant under NRS 41.031.
  - 3. As used in this section:
- (a) "Local judicial officer" has the meaning ascribed to it in section 2.5 of this act.
- (b) "State judicial officer" has the meaning ascribed to it in section 3 of this act.
  - Sec. 4. NRS 41.0338 is hereby amended to read as follows:
- 41.0338 [As used in NRS 41.0338 to 41.0347, inclusive, unless the context otherwise requires, "official] "Official attorney" means:
  - 1. The Attorney General, in an action which involves [a]:
- <u>(a)</u> A present or former *state judicial officer*, State Legislator, officer or employee of this State, immune contractor or member of a state board or commission  $\boxminus$ ; or
- (b) A person who is named as a defendant in the action solely because of an alleged act or omission relating to the public duties or employment of a person listed in paragraph (a).
- 2. The chief legal officer or other authorized legal representative of a political subdivision, in an action which involves  $\frac{1}{4}$ :
- (a) A present or former <u>local judicial officer of that political subdivision, a present or former</u> officer or employee of that political subdivision or a present or former member of a local board or commission. : or
- (b) A person who is named as a defendant in the action solely because of an alleged act or omission relating to the public duties or employment of a person listed in paragraph (a).
  - Sec. 5. NRS 41.0339 is hereby amended to read as follows:
- 41.0339 <u>1.</u> The official attorney shall provide for the defense, including the defense of cross-claims and counterclaims, of any present or former <u>local judicial officer</u>, state judicial officer, officer or employee of the State or a political subdivision, immune contractor or State Legislator in any civil action brought against that person based on any alleged act or omission relating to the person's public duties or employment, or any other person who is named as a defendant in a civil action solely because of an alleged act or omission relating to the public duties or employment of a local judicial officer, state judicial officer, officer or employee of the State or a political subdivision, immune contractor or State Legislator, if:

- [1.] (a) Within 15 days after service of a copy of the summons and complaint or other legal document commencing the action, the person submits a written request for defense:
  - $\frac{(a)}{(1)}$  To the official attorney; or
- $\frac{(b)}{(b)}$  (2) If the officer, employee or immune contractor has an administrative superior, to the administrator of the person's agency and the official attorney; and
- [2.] (b) The official attorney has determined that the act or omission on which the action is based appears to be within the course and scope of public duty or employment and appears to have been performed or omitted in good faith.
- 2. If the official attorney determines that it is impracticable, uneconomical or could constitute a conflict of interest for the legal service to be rendered by the official attorney or a deputy of the official attorney, the official attorney must employ special counsel pursuant to NRS 41.03435 or 41.0344, whichever is applicable.
  - Sec. 6. NRS 41.0341 is hereby amended to read as follows:
  - 41.0341 If the complaint is filed in a court of this state:
- 1. The <u>local judicial officer</u>, state judicial officer, officer, employee, board or commission member, <del>[or]</del> State Legislator <del>[i]</del> or other person for whom the official attorney is required to provide a defense pursuant to NRS 41.0339; and
- 2. The state or any political subdivision named as a party defendant,

  each has 45 days after their respective dates of service to file an answer or
- other responsive pleading.
  - Sec. 7. NRS 41.0346 is hereby amended to read as follows:
- 41.0346 1. At any time after the official attorney has appeared in any civil action and commenced to defend any person sued as a <u>local judicial officer</u>, state judicial officer, public officer, employee, immune contractor, member of a board or commission, <del>[or]</del> State Legislator <del>[]</del> or any other person defended by the official attorney pursuant to NRS 41.0339, the official attorney may apply to any court to withdraw as the attorney of record for that person based upon:
- (a) Discovery of any new material fact which was not known at the time the defense was tendered and which would have altered the decision to tender the defense;
- (b) Misrepresentation of any material fact by the person requesting the defense, if that fact would have altered the decision to tender the defense if the misrepresentation had not occurred;
- (c) Discovery of any mistake of fact which was material to the decision to tender the defense and which would have altered the decision but for the mistake;
- (d) Discovery of any fact which indicates that the act or omission on which the civil action is based was not within the course and scope of public duty or employment or was wanton or malicious;

- (e) Failure of the defendant to cooperate in good faith with the defense of the case; or
- (f) If the action has been brought in a court of competent jurisdiction of this state, failure to name the State or political subdivision as a party defendant, if there is sufficient evidence to establish that the civil action is clearly not based on any act or omission relating to the [defendant's] public [duty] duties or employment [-] of a local judicial officer, state judicial officer, public officer, employee, immune contractor, member of a board or commission or State Legislator.
- 2. If any court grants a motion to withdraw on any of the grounds set forth in subsection 1 brought by the official attorney, the State or political subdivision has no duty to continue to defend any person who is the subject of the motion to withdraw.
  - Sec. 8. NRS 41.0347 is hereby amended to read as follows:
- 41.0347 <u>1.</u> If the official attorney does not provide for the defense of a present or former <u>local judicial officer</u>, state judicial officer, employee, immune contractor, member of a board or commission of the State or any political subdivision or <del>[of a]</del> State Legislator in any civil action in which the State or political subdivision is also a named defendant, or which was brought in a court other than a court of competent jurisdiction of this state, and if it is judicially determined that the injuries arose out of an act or omission of that person during the performance of any duty within the course and scope of the person's public duty or employment and that the person's act or omission was not wanton or malicious:
- [1..] (a) If the Attorney General was responsible for providing the defense, the State is liable to that person for reasonable expenses in prosecuting the person's own defense, including court costs and attorney's fees. These expenses must be paid, upon approval by the State Board of Examiners, from the Reserve for Statutory Contingency Account.
- [2.] (b) If the chief legal officer or attorney of a political subdivision was responsible for providing the defense, the political subdivision is liable to that person for reasonable expenses in carrying on the person's own defense, including court costs and attorney's fees.
- 2. If the official attorney does not provide for the defense of a person who is named a defendant in any civil action solely because of an alleged act or omission relating to the public duties or employment of a present or former local judicial officer, state judicial officer, officer or employee of the State or any political subdivision, immune contractor or State Legislator and the State or political subdivision is also named a defendant, or the civil action was brought in a court other than a court of competent jurisdiction of this State, and if it is judicially determined that the injuries arose out of an act or omission of a local judicial officer, state judicial officer, officer or employee of the State or any political subdivision, immune contractor or State Legislator during the performance of any duty within the course and

scope of such a person's public duty or employment and that the person's act or omission was not wanton or malicious:

- (a) If the Attorney General was responsible for providing the defense, the State is liable to the person for reasonable expenses in prosecuting the person's own defense, including court costs and attorney's fees. These expenses must be paid, upon approval by the State Board of Examiners, from the Reserve for Statutory Contingency Account.
- (b) If the chief legal officer or attorney of a political subdivision was responsible for providing the defense, the political subdivision is liable to that person for reasonable expenses in carrying on the person's own defense, including court costs and attorney's fees.
- Sec. 8.5. For the 78th Session of the Nevada Legislature, in accordance with the provisions of subsection 2 of NRS 228.113, the Director of the Department of Administration shall include the biennial cost of implementing the provisions of this act in the Attorney General's cost allocation plan.
  - Sec. 9. This act becomes effective on July 1, 2013.

Senator Kihuen moved the adoption of the amendment.

Remarks by Senator Kihuen.

Amendment No. 27 to Senate Bill No. 27 makes the following changes: (1) it replaces the provisions outlined in Senate Bill No. 27 with the provisions of Senate Bill No. 57 of the 77th Legislative Session; (2) it authorizes the official attorney to appoint a special counsel to provide representation if the official attorney determines that it is impracticable, uneconomical or could constitute a conflict of interest; and (3) it requires the Director of the Department of Administration to include the biennial cost of implementing the provisions of this measure in the Attorney General's cost allocation plan for the 78th Session of the Nevada Legislature.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 45.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 84.

"SUMMARY—Revises provisions governing the sealing <del>[and removal]</del> of certain records of criminal history. (BDR 14-345)"

"AN ACT relating to records of criminal history; revising provisions governing the sealing [and removal] of certain records of criminal history; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes a person to petition the court in certain circumstances for the sealing of all records of criminal history relating to a conviction of a crime, the dismissal or acquittal of charges or the setting aside of a conviction of a crime. (NRS 179.245, 179.255) Sections 6 and 7 of this bill revise provisions governing the information that such a petition must include and generally expand the applicability of certain provisions relating

to the sealing of such records to all agencies of criminal justice which maintain the records.

Existing law also authorizes a person who is acquitted of a charge or to whom the disposition of a charge is favorable to apply in writing to the Central Repository for Nevada Records of Criminal History and the agency which maintains a record of criminal history relating to such a charge to have the record removed. (NRS 179A.160) Section 11 of this bill revises this requirement and specifies that a person must apply to the Central Repository and all agencies of criminal justice which maintain the record. Section 11 also requires such an application to include certain information similar to the information required in a petition to the court pursuant to sections 6 and 7, and requires, with certain exceptions, the Central Repository and all agencies of criminal justice which maintain the record to remove the record without a court order upon receipt of a complete written application and verification of the information contained in the application.]

Section 8 of this bill provides that each agency of criminal justice named in an order for the sealing of records must be provided a copy of the order. Section 10 of this bill revises the definition of "agency of criminal justice" by specifying that the term also includes a subunit of any governmental agency which performs a function in the administration of criminal justice pursuant to a statute or executive order and which allocates a substantial part of its budget to a function in the administration of criminal justice.

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

- Section 1. Chapter 179 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. As used in this section and NRS 179.245 to 179.301, inclusive, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Agency of criminal justice" has the meaning ascribed to it in NRS 179A.030.
  - Sec. 4. "Disposition" has the meaning ascribed to it in NRS 179A.050.
- Sec. 5. "Record" has the meaning ascribed to "record of criminal history" in NRS 179A.070.
  - Sec. 6. NRS 179.245 is hereby amended to read as follows:
- 179.245 1. Except as otherwise provided in subsection 5 and NRS 176A.265, 176A.295, 179.259, 453.3365 and 458.330, a person may petition the court in which the person was convicted for the sealing of all records relating to a conviction of:
- (a) A category A or B felony after 15 years from the date of release from actual custody or discharge from parole or probation, whichever occurs later;
- (b) A category C or D felony after 12 years from the date of release from actual custody or discharge from parole or probation, whichever occurs later;

- (c) A category E felony after 7 years from the date of release from actual custody or discharge from parole or probation, whichever occurs later;
- (d) Any gross misdemeanor after 7 years from the date of release from actual custody or discharge from probation, whichever occurs later;
- (e) A violation of NRS 484C.110 or 484C.120 other than a felony, or a battery which constitutes domestic violence pursuant to NRS 33.018 other than a felony, after 7 years from the date of release from actual custody or from the date when the person is no longer under a suspended sentence, whichever occurs later; or
- (f) Any other misdemeanor after 2 years from the date of release from actual custody or from the date when the person is no longer under a suspended sentence, whichever occurs later.
  - 2. A petition filed pursuant to subsection 1 must:
- (a) Be accompanied by *the petitioner's* current, verified records [of the petitioner's eriminal history] received from:
- (1) The Central Repository for Nevada Records of Criminal History; and
- (2) [The local law enforcement agency] All agencies of criminal justice which maintain such records within the city or county in which the conviction was entered;
- (b) If the petition references NRS 453.3365 or 458.330, include a certificate of acknowledgment or the disposition of the proceedings for the records to be sealed from all agencies of criminal justice which maintain such records;
- (c) Include a list of any other public or private agency, company, official or other custodian of records that is reasonably known to the petitioner to have possession of records of the conviction and to whom the order to seal records, if issued, will be directed; and
- $\frac{\{(e)\}}{\{(d)\}}$  Include information that, to the best knowledge and belief of the petitioner, accurately and completely identifies the records to be sealed  $\frac{\{(\cdot,\cdot)\}}{\{(\cdot,\cdot)\}}$ , including, without limitation, the:
  - (1) Date of birth of the petitioner;
  - (2) Specific conviction to which the records to be sealed pertain; and
- (3) Date of arrest relating to the specific conviction to which the records to be sealed pertain.
- 3. Upon receiving a petition pursuant to this section, the court shall notify the law enforcement agency that arrested the petitioner for the crime and:
- (a) If the person was convicted in a district court or justice court, the prosecuting attorney for the county; or
- (b) If the person was convicted in a municipal court, the prosecuting attorney for the city.
- → The prosecuting attorney and any person having relevant evidence may testify and present evidence at the hearing on the petition.

- 4. If, after the hearing, the court finds that, in the period prescribed in subsection 1, the petitioner has not been charged with any offense for which the charges are pending or convicted of any offense, except for minor moving or standing traffic violations, the court may order sealed all records of the conviction which are in the custody of [the court, of another court in the State of Nevada] any agency of criminal justice or [of a] any public or private agency, company, [or] official or other custodian of records in the State of Nevada, and may also order all such [criminal identification] records of the petitioner returned to the file of the court where the proceeding was commenced from, including, [but not limited to,] without limitation, the Federal Bureau of Investigation, the California Bureau of Criminal Identification and Information [, sheriffs' offices] and all [other law enforcement] agencies of criminal justice which maintain such records and which are reasonably known by either the petitioner or the court to have possession of such records.
- 5. A person may not petition the court to seal records relating to a conviction of a crime against a child or a sexual offense.
- 6. If the court grants a petition for the sealing of records pursuant to this section, upon the request of the person whose records are sealed, the court may order sealed all records of the civil proceeding in which the records were sealed.
  - 7. As used in this section:
- (a) "Crime against a child" has the meaning ascribed to it in NRS 179D.0357.
  - (b) "Sexual offense" means:
- (1) Murder of the first degree committed in the perpetration or attempted perpetration of sexual assault or of sexual abuse or sexual molestation of a child less than 14 years of age pursuant to paragraph (b) of subsection 1 of NRS 200.030.
  - (2) Sexual assault pursuant to NRS 200.366.
- (3) Statutory sexual seduction pursuant to NRS 200.368, if punishable as a felony.
- (4) Battery with intent to commit sexual assault pursuant to NRS 200.400.
- (5) An offense involving the administration of a drug to another person with the intent to enable or assist the commission of a felony pursuant to NRS 200.405, if the felony is an offense listed in this paragraph.
- (6) An offense involving the administration of a controlled substance to another person with the intent to enable or assist the commission of a crime of violence pursuant to NRS 200.408, if the crime of violence is an offense listed in this paragraph.
- (7) Abuse of a child pursuant to NRS 200.508, if the abuse involved sexual abuse or sexual exploitation.
- (8) An offense involving pornography and a minor pursuant to NRS 200.710 to 200.730, inclusive.

- (9) Incest pursuant to NRS 201.180.
- (10) Solicitation of a minor to engage in acts constituting the infamous crime against nature pursuant to NRS 201.195.
- (11) Open or gross lewdness pursuant to NRS 201.210, if punishable as a felony.
- (12) Indecent or obscene exposure pursuant to NRS 201.220, if punishable as a felony.
  - (13) Lewdness with a child pursuant to NRS 201.230.
- (14) Sexual penetration of a dead human body pursuant to NRS 201.450.
- (15) Luring a child or a person with mental illness pursuant to NRS 201.560, if punishable as a felony.
- (16) An attempt to commit an offense listed in subparagraphs (1) to (15), inclusive.
  - Sec. 7. NRS 179.255 is hereby amended to read as follows:
- 179.255 1. If a person has been arrested for alleged criminal conduct and the charges are dismissed or such person is acquitted of the charges, the person may petition:
- (a) The court in which the charges were dismissed, at any time after the date the charges were dismissed; or
- (b) The court in which the acquittal was entered, at any time after the date of the acquittal,
- → for the sealing of all records relating to the arrest and the proceedings leading to the dismissal or acquittal.
- 2. If the conviction of a person is set aside pursuant to NRS 458A.240, the person may petition the court that set aside the conviction, at any time after the conviction has been set aside, for the sealing of all records relating to the setting aside of the conviction.
  - 3. A petition filed pursuant to subsection 1 or 2 must:
- (a) Be accompanied by [a] the petitioner's current, verified [record of the eriminal history of the petitioner] records received from [the local law enforcement agency]:
- (1) The Central Repository for Nevada Records of Criminal History; and
- (2) All agencies of criminal justice which maintain such records within the city or county in which the petitioner appeared in court;
- (b) Except as otherwise provided in paragraph (c), include the disposition of the proceedings for the records to be sealed;
- (c) If the petition references NRS 453.3365 or 458.330, include a certificate of acknowledgment or the disposition of the proceedings for the records to be sealed from all agencies of criminal justice which maintain such records;
- (d) Include a list of any other public or private agency, company, official and other custodian of records that is reasonably known to the petitioner to have possession of records of the arrest and of the proceedings leading to the

dismissal or acquittal and to whom the order to seal records, if issued, will be directed; and

- $\{(e)\}\$  (e) Include information that, to the best knowledge and belief of the petitioner, accurately and completely identifies the records to be sealed  $\{...\}$ , including, without limitation, the:
  - (1) Date of birth of the petitioner;
- (2) Specific charges that were dismissed or of which the petitioner was acquitted; and
- (3) Date of arrest relating to the specific charges that were dismissed or of which the petitioner was acquitted.
- 4. Upon receiving a petition pursuant to subsection 1, the court shall notify the law enforcement agency that arrested the petitioner for the crime and:
- (a) If the charges were dismissed or the acquittal was entered in a district court or justice court, the prosecuting attorney for the county; or
- (b) If the charges were dismissed or the acquittal was entered in a municipal court, the prosecuting attorney for the city.
- → The prosecuting attorney and any person having relevant evidence may testify and present evidence at the hearing on the petition.
- 5. Upon receiving a petition pursuant to subsection 2, the court shall notify:
- (a) If the conviction was set aside in a district court or justice court, the prosecuting attorney for the county; or
- (b) If the conviction was set aside in a municipal court, the prosecuting attorney for the city.
- → The prosecuting attorney and any person having relevant evidence may testify and present evidence at the hearing on the petition.
- 6. If, after the hearing on a petition submitted pursuant to subsection 1, the court finds that there has been an acquittal or that the charges were dismissed and there is no evidence that further action will be brought against the person, the court may order sealed all records of the arrest and of the proceedings leading to the acquittal or dismissal which are in the custody of [the court, of another court in the State of Nevada] any agency of criminal justice or [of a] any public or private company, agency, [or] official or other custodian of records in the State of Nevada.
- 7. If, after the hearing on a petition submitted pursuant to subsection 2, the court finds that the conviction of the petitioner was set aside pursuant to NRS 458A.240, the court may order sealed all records relating to the setting aside of the conviction which are in the custody of [the court, of another court in the State of Nevada] any agency of criminal justice or [of a] any public or private company, agency , [or] official or other custodian of records in the State of Nevada.
- Sec. 8. NRS 179.275 is hereby amended to read as follows: 179.275 Where the court orders the sealing of a record pursuant to

NRS 176A.265, 176A.295, 179.245, 179.255, 179.259, 453.3365 or 458.330, a copy of the order must be sent to:

- 1. The Central Repository for Nevada Records of Criminal History; and
- 2. Each agency of criminal justice and each public or private company, agency, [or] official or other custodian of records named in the order, and that person shall seal the records in his or her custody which relate to the matters contained in the order, shall advise the court of compliance and shall then seal the order.
  - Sec. 9. NRS 179.301 is hereby amended to read as follows:
- 179.301 1. The State Gaming Control Board and the Nevada Gaming Commission and their employees, agents and representatives may inquire into and inspect any records sealed pursuant to NRS 179.245 or 179.255, if the event or conviction was related to gaming, to determine the suitability or qualifications of any person to hold a state gaming license, manufacturer's, seller's or distributor's license or registration as a gaming employee pursuant to chapter 463 of NRS. Events and convictions, if any, which are the subject of an order sealing records:
- (a) May form the basis for recommendation, denial or revocation of those licenses.
- (b) Must not form the basis for denial or rejection of a gaming work permit unless the event or conviction relates to the applicant's suitability or qualifications to hold the work permit.
- 2. A prosecuting attorney may inquire into and inspect any records sealed pursuant to NRS 179.245 or 179.255 if:
- (a) The records relate to a violation or alleged violation of NRS 202.575; and
- (b) The person who is the subject of the records has been arrested or issued a citation for violating NRS 202.575.
- 3. The Central Repository for Nevada Records of Criminal History and its employees may inquire into and inspect any records sealed pursuant to NRS 179.245 or 179.255 that constitute information relating to sexual offenses, and may notify employers of the information in accordance with NRS 179A.180 to 179A.240, inclusive.
- 4. Records which have been sealed pursuant to NRS 179.245 or 179.255 and which are retained in the statewide registry established pursuant to NRS 179B.200 may be inspected pursuant to chapter 179B of NRS by an officer or employee of the Central Repository for Nevada Records of Criminal History or a law enforcement officer in the regular course of his or her duties.
- 5. The State Board of Pardons Commissioners and its agents and representatives may inquire into and inspect any records sealed pursuant to NRS 179.245 or 179.255 if the person who is the subject of the records has applied for a pardon from the Board.
  - 6. As used in this section:

- (a) "Information relating to sexual offenses" means information contained in or concerning a record [of criminal history, or the records of criminal history of the United States or another state,] relating in any way to a sexual offense.
  - (b) "Sexual offense" has the meaning ascribed to it in NRS 179A.073.
  - Sec. 10. NRS 179A.030 is hereby amended to read as follows:

179A.030 "Agency of criminal justice" means:

- 1. Any court; and
- 2. Any governmental agency or subunit of any governmental agency which performs a function in the administration of criminal justice pursuant to a statute or executive order, and which allocates a substantial part of its budget to a function in the administration of criminal justice.
  - Sec. 11. [NRS 179A.160 is hereby amended to read as follows:
- 179A.160 1. If a person has been arrested or issued a citation, or has been the subject of a warrant for alleged criminal conduct and the person is acquitted of the charge or the disposition of the charge is favorable to the person, at any time after the charge is dismissed, acquittal is entered or disposition of the charge in favor of the person is final, the person who is the subject of a record of criminal history relating to the arrest, citation or warrant may apply in writing to the Central Repository and [the agency] all agencies of criminal justice which [maintains] maintain the record to have it removed from the files which are available and generally searched for the purpose of responding to inquiries concerning the criminal history of a person.
  - 2. A written application submitted pursuant to subsection 1 must:
- (a) Be accompanied by the petitioner's current, verified record of criminal history received from:
  - (1) The Central Repository; and
- (2) All agencies of criminal justice which maintain the record within the city or county in which the charge was dismissed, the acquittal was entered or the disposition of the charge in favor of the person was finalized; and
- (b) Include information that, to the best knowledge and belief of the petitioner, accurately and completely identifies the record to be removed, including, without limitation, the:
  - (1) Date of birth of the petitioner;
  - (2) Specific charge to be removed; and
  - (3) Date of arrest relating to the specific charge to be removed.
- 3. The Central Repository and [the agency] all agencies of criminal justice which maintain the record shall remove the record without a court order, upon receipt of a written application that satisfies all requirements set forth in this section and verification of the information contained in the application, unless:
  - (a) The [defendant] person who is the subject of the record is a fugitive:
- (b) The case is under active prosecution according to a current certificate of a prosecuting attorney;

- (e) The disposition of the case was a deferred prosecution, plea bargain or other similar disposition;
- (d) The person who is the subject of the record has a prior conviction for a felony or gross misdemeanor in any jurisdiction in the United States; or
- (e) The person who is the subject of the record has been arrested for or charged with another crime, other than a minor traffic violation, since the arrest, citation or warrant which the person seeks to have removed from the record.
- [3.] 4. This section does not restrict the authority of a court to order the deletion or modification of a record in a particular cause or concerning a particular person or event.] (Deleted by amendment.)

Sec. 12. This act becomes effective on July 1, 2013.

Senator Kihuen moved the adoption of the amendment.

Remarks by Senator Kihuen.

Amendment No. 84 to Senate Bill No. 45 deletes Section 11 which retains the existing language in Section 160 of Chapter 179A of *Nevada Revised Statutes*. This section of *Nevada Revised Statutes* relates to the removal of records where the disposition of the case was favorable to the accused. The Department of Public Safety testified that it can make the needed changes without the need to revise the *Nevada Revised Statutes*.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 47.

Bill read second time.

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

Amendment No. 46.

"SUMMARY—Makes various changes to provisions governing the regulation of the mortgage industry. (BDR 54-361)"

"AN ACT relating to mortgage lending; defining certain terms and revising certain definitions relating to mortgage lending; revising provisions exempting certain nonprofit agencies and organizations from the licensing requirements of mortgage brokers and mortgage agents; revising provisions governing the renewal of a license as a mortgage agent; revising provisions prohibiting certain acts by mortgage brokers and mortgage agents; revising provisions exempting certain attorneys from the licensing requirements of foreclosure consultants and foreclosure purchasers; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law does not define the term "employee" with respect to a mortgage agent who is required to be employed by certain persons under certain circumstances. (Chapter 645B of NRS) Section 1 of this bill defines the term "employee" in the same manner that the term is defined under federal law in the context of mortgage lending. (12 C.F.R. § 1008 et seq.) Sections 3 and 4 of this bill revise the definitions of the terms "licensee" and "residential mortgage loan originator" for the purposes of the statutory

provisions governing the licensing and regulation of mortgage brokers and mortgage agents. (NRS 645B.0123, 645B.01325)

Existing law exempts certain nonprofit agencies and organizations from the statutory provisions governing mortgage brokers and mortgage agents. (NRS 645B.015) Section 5 of this bill requires such nonprofit agencies and organizations to maintain tax exempt status under section 501(c)(3) of the Internal Revenue Code of 1986.

Existing law prohibits a mortgage agent from providing any services of a mortgage agent unless he or she meets certain criteria. (NRS 645B.400) Section 6 of this bill clarifies the employment, association and sponsorship requirements that a mortgage agent must satisfy under certain circumstances.

Existing law establishes procedures for the renewal of a license as a mortgage agent. (NRS 645B.430) Section 7 of this bill clarifies the circumstances under which the Commissioner of Mortgage Lending may renew a license.

Sections 8-10 of this bill revise existing law to provide that a mortgage agent must be under the control, in addition to the reasonable supervision, of mortgage brokers and mortgage bankers who employ the mortgage agent. (NRS 645B.460, 645B.670, 645E.291) Sections 8 and 10 also remove the discretion of a mortgage broker or a mortgage banker to establish written or oral policies and procedures for mortgage agents, and instead require the establishment of written policies and procedures. Section 9 also: (1) prohibits a mortgage broker from paying any remuneration to a mortgage agent under certain circumstances; and (2) prohibits a mortgage agent from receiving any remuneration for his or her services as a mortgage agent under certain circumstances. Section 9 further provides that the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers is not prohibited so long as such a transaction is not inconsistent with any other provision governing mortgage brokers and mortgage agents.

Existing law exempts certain attorneys from being licensed as a foreclosure consultant or foreclosure purchaser. (NRS 645F.380) Section 11 of this bill provides that such attorneys must be licensed to practice law in this State and not be engaged in a practice comprised primarily of providing a covered service to his or her clients.

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

Section 1. Chapter 645B of NRS is hereby amended by adding thereto a new section to read as follows:

"Employee" means a natural person:

- 1. Whose manner and means of performance of work are subject to the right of control of, or are controlled by, another person; and
- 2. Whose compensation for federal income tax purposes is reported, or required to be reported, on Form W-2 issued by the controlling person.
  - Sec. 2. NRS 645B.010 is hereby amended to read as follows:

- 645B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 645B.0104 to 645B.0135, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.
  - Sec. 3. NRS 645B.0123 is hereby amended to read as follows:
- 645B.0123 "Licensee" means a person who is licensed *or required to be licensed* as a mortgage broker pursuant to this chapter. The term does not include a person issued a license as a mortgage agent pursuant to NRS 645B.410 [...] who is acting properly within the scope of that license.
  - Sec. 4. NRS 645B.01325 is hereby amended to read as follows:
- 645B.01325 "Residential mortgage loan originator" means a natural person who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan for compensation or other pecuniary gain. The term does not include:
- 1. A *loan processor, underwriter or other natural* person who performs clerical or ministerial tasks as an employee at the direction of and subject to the supervision and instruction of a person licensed or exempt from licensing under this chapter, unless the person who performs such clerical or ministerial tasks is an independent contractor; or
- 2. A person solely involved in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. § 101(53D).
  - Sec. 5. NRS 645B.015 is hereby amended to read as follows:
- 645B.015 Except as otherwise provided in NRS 645B.016, the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101 et seq., and any regulations adopted pursuant thereto and other applicable law, the provisions of this chapter do not apply to:
- 1. Any person doing business under the laws of this State, any other state or the United States relating to banks, savings banks, trust companies, savings and loan associations, industrial loan companies, credit unions, thrift companies or insurance companies, including, without limitation, a subsidiary or a holding company of such a bank, company, association or union.
- 2. A real estate investment trust, as defined in 26 U.S.C. § 856, unless the business conducted in this State is not subject to supervision by the regulatory authority of the other jurisdiction, in which case licensing pursuant to this chapter is required.
- 3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.
- 4. An attorney at law rendering services in the performance of his or her duties as an attorney at law.
- 5. A real estate broker rendering services in the performance of his or her duties as a real estate broker.
  - 6. Any person doing any act under an order of any court.
- 7. Any one natural person, or husband and wife, who provides money for investment in commercial loans secured by a lien on real property, on his or her own account, unless such a person makes a loan secured by a lien on real

property using his or her own money and assigns all or a part of his or her interest in the loan to another person, other than his or her spouse or child, within 3 years after the date on which the loan is made or the deed of trust is recorded, whichever occurs later.

- 8. A natural person who only offers or negotiates terms of a residential mortgage loan:
  - (a) With or on behalf of an immediate family member of the person; or
  - (b) Secured by a dwelling that served as the person's residence.
- 9. Agencies of the United States and of this State and its political subdivisions, including the Public Employees' Retirement System.
- 10. A seller of real property who offers credit secured by a mortgage of the property sold.
  - 11. A nonprofit agency or organization:
- (a) Which provides self-help housing for a borrower who has provided part of the labor to construct the dwelling securing the borrower's loan;
- (b) Which does not charge or collect origination fees in connection with the origination of residential mortgage loans;
- (c) Which only makes residential mortgage loans at an interest rate of 0 percent per annum;
- (d) Whose volunteers, if any, do not receive compensation for their services in the construction of a dwelling: Fand
- (e) Which does not profit from the sale of a dwelling to a borrower [.]; and
- (f) Which maintains tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3).
- 12. A housing counseling agency approved by the United States Department of Housing and Urban Development.
  - Sec. 5.5. NRS 645B.189 is hereby amended to read as follows:
- 645B.189 1. If, in carrying on his or her business, a mortgage broker uses an advertisement that is designed, intended or reasonably likely to solicit money from private investors, the mortgage broker shall include in each such advertisement a statement of disclosure in substantially the following form: Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not insured.
- 2. A mortgage broker shall include in each advertisement that the mortgage broker uses in carrying on his or her business any statements of disclosure required pursuant to the regulations adopted by the Commissioner or required pursuant to an order of the Commissioner entered in accordance with subsections 7 and 8 of NRS 645B.185.
- 3. Each mortgage broker who has received an initial license within the past 12 months shall submit any proposed advertisement that the mortgage broker intends to use in carrying on his or her business to the Commissioner for approval.
  - 4. In addition to the requirements set forth in this chapter, each

advertisement that a mortgage broker uses in carrying on his or her business must comply with the requirements of:

- (a) NRS 598.0903 to 598.0999, inclusive, concerning deceptive trade practices; and
- (b) Any applicable federal statute or regulation concerning deceptive advertising and the advertising of interest rates.
- 5. If a mortgage broker violates any provision of NRS 598.0903 to 598.0999, inclusive, concerning deceptive trade practices or any federal statute or regulation concerning deceptive advertising or the advertising of interest rates, in addition to any sanction or penalty imposed by state or federal law upon the mortgage broker for the violation, the Commissioner may take any disciplinary action set forth in *paragraph* (b) of subsection [21] I of NRS 645B.670 against the mortgage broker.
- 6. The Commissioner may adopt any regulations that are necessary to carry out the provisions of this section.
  - Sec. 6. NRS 645B.400 is hereby amended to read as follows:
- 645B.400 A person shall not act as or provide any of the services of a mortgage agent or otherwise engage in, carry on or hold himself or herself out as engaging in or carrying on the activities of a mortgage agent unless the person:
  - 1. Has a license as a mortgage agent issued pursuant to NRS 645B.410.
  - 2. Is:
- (a) If the person is not a loan processor who is an independent contractor, an employee of  $\{or\ associated\ with\}$  a mortgage broker or mortgage banker  $\{...\}$ ; or
- (b) An employee of or associated with a person who holds a certificate of exemption pursuant to NRS 645B.016.
  - 3. If the person is required to register with the Registry [, is]:
- (a) Is an employee of and whose sponsorship has been entered with the Registry by a mortgage broker, mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016 as required by subsection 2 of NRS 645B.450; and
- (b) Is registered with and provides any identifying number issued by the Registry.
  - Sec. 7. NRS 645B.430 is hereby amended to read as follows:
- 645B.430 1. A license as a mortgage agent issued pursuant to NRS 645B.410 expires each year on December 31, unless it is renewed. To renew a license as a mortgage agent, the holder of the license must continue to meet the requirements of subsection 3 of NRS 645B.410 and must submit to the Commissioner on or after November 1 and on or before December 31 of each year, or on a date otherwise specified by the Commissioner by regulation:
  - (a) An application for renewal;
- (b) Except as otherwise provided in this section, satisfactory proof that the holder of the license as a mortgage agent attended at least 10 hours of

certified courses of continuing education during the 12 months immediately preceding the date on which the license expires; and

- (c) A renewal fee set by the Commissioner of not more than \$170.
- 2. In lieu of the continuing education requirement set forth in paragraph (b) of subsection 1, the holder of a license as a mortgage agent who, pursuant to subsection 1 of NRS 645F.267, is not required to register or renew with the Registry and who has not voluntarily registered or renewed with the Registry must submit to the Commissioner satisfactory proof that he or she attended at least 5 hours of certified courses of continuing education during the 12 months immediately preceding the date on which the license expires. The hours of continuing education required by this subsection must include:
  - (a) At least 3 hours relating to the laws and regulations of this State; and
  - (b) At least 2 hours relating to ethics.
- 3. If the holder of the license as a mortgage agent fails to submit any item required pursuant to subsection 1 or 2 to the Commissioner on or after November 1 and on or before December 31 of any year, unless a different date is specified by the Commissioner by regulation, the license is cancelled as of December 31 of that year. The Commissioner may reinstate a cancelled license if the holder of the license submits to the Commissioner on or before February 28 of the following year:
  - (a) An application for renewal;
  - (b) The fee required to renew the license pursuant to this section; and
  - (c) A reinstatement fee of \$75.
- 4. To change the mortgage broker with whom the mortgage agent is associated, a person must pay a fee of \$10.
- 5. Money received by the Commissioner pursuant to this section is in addition to any fee that must be paid to the Registry and must be deposited in the Account for Mortgage Lending created by NRS 645F.270.
- 6. The Commissioner may require a licensee to submit an item or pay a fee required by this section directly to the Division or, if the licensee is required to register or voluntarily registers with the Registry, to the Division through the Registry.
- 7. Nothing in this section shall be construed as preventing the Commissioner from renewing the license of a mortgage agent who does not satisfy the criteria set forth in paragraph (e) of subsection 1 of NRS 645B.410 at the time of the application for renewal.
- 8.~ As used in this section, "certified course of continuing education" has the meaning ascribed to it in NRS 645B.051.
  - Sec. 8. NRS 645B.460 is hereby amended to read as follows:
- 645B.460 1. A mortgage broker shall exercise reasonable supervision *and control* over the activities of his or her mortgage agents and must also be licensed as a mortgage agent if required pursuant to NRS 645B.405. Such reasonable supervision *and control* must include, as appropriate:

- (a) The establishment of written [or oral] policies and procedures for the mortgage agents;
- (b) The establishment of a system to review, oversee and inspect the activities of the mortgage agents, including, without limitation:
- (1) Transactions handled by the mortgage agents pursuant to this chapter;
- (2) Communications between the mortgage agents and a party to such a transaction:
- (3) Documents prepared by the mortgage agents that may have a material effect upon the rights or obligations of a party to such a transaction; and
- (4) The handling by the mortgage agents of any fee, deposit or money paid to the mortgage broker or the mortgage agents or held in trust by the mortgage broker or the mortgage agents pursuant to this chapter; and
- (c) The establishment of a system of reporting to the Division of any fraudulent activity engaged in by any of the mortgage agents.
- 2. The Commissioner shall allow a mortgage broker to take into consideration the total number of mortgage agents associated with or employed by the mortgage broker when the mortgage broker determines the form and extent of the policies and procedures for those mortgage agents and the system to review, oversee and inspect the activities of those mortgage agents.
- 3. The Commissioner may adopt regulations prescribing standards for determining whether a mortgage broker has exercised reasonable supervision *and control* over the activities of a mortgage agent pursuant to this section.
  - Sec. 9. NRS 645B.670 is hereby amended to read as follows:
  - 645B.670 <u>1.</u> Except as otherwise provided in NRS 645B.690:
- [1.] (a) For each violation committed by an applicant for a license issued pursuant to this chapter, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:
- [(a)] (1) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;
- [(b)] (2) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or
- [(e)] (3) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.
- [2.] (b) For each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the

mortgage broker's license, or may do both, if the mortgage broker, whether or not acting as such:

- [(a)] (1) Is insolvent;
- [(b)] (2) Is grossly negligent or incompetent in performing any act for which the mortgage broker is required to be licensed pursuant to the provisions of this chapter;
- [(e)] (3) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;
- [(d)] (4) Is in such financial condition that the mortgage broker cannot continue in business with safety to his or her customers;
- [(e)] (5) Has made a material misrepresentation in connection with any transaction governed by this chapter;
- [(f)] (6) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage broker knew or, by the exercise of reasonable diligence, should have known;
- [(g)] (7) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage broker possesses and which, if submitted by the mortgage broker, would have rendered the mortgage broker ineligible to be licensed pursuant to the provisions of this chapter;
- [(h)] (8) Has failed to account to persons interested for all money received for a trust account;
- [(i)] [9] Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;
- [(i)] (10) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;
- [(k)] (11) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;
- <del>[(h)]</del> <u>(12)</u> Has failed to satisfy a claim made by a client which has been reduced to judgment;
- $\frac{(m)}{(m)}$  (13) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;
- [(n)] (14) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

- [(e)] (15) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;
- <del>[(p)]</del> <u>(16)</u> Has repeatedly violated the policies and procedures of the mortgage broker;
- <del>[(q)]</del> (17) Has failed to exercise reasonable supervision *and control* over the activities of a mortgage agent as required by NRS 645B.460;
- $\frac{[(r)]}{(18)}$  Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;
- [(s)] (19) Has employed a person as a mortgage agent or authorized a person to be associated with the mortgage broker as a mortgage agent at a time when the mortgage broker knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:
- [(1)] (1) Had been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering; or
- [(2)] (III) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license or registration revoked within the immediately preceding 10 years;
  - [(t)] (20) Has violated NRS 645C.557; [or]
- $\frac{(u)}{(21)}$  Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS  $\frac{1}{100}$ ; or
- $\frac{f(*)f}{f(*)f}$  (22) Has, directly or indirectly, paid any commission, fees, points or any other compensation as remuneration for the services of a mortgage agent to a person other than a mortgage agent who:
  - $\frac{f(1)}{f(1)}$  Is an employee of or associated with the mortgage broker; or
- (II) If the mortgage agent is required to register with the Registry, is an employee of and whose sponsorship has been entered with the Registry by the mortgage broker as required by subsection 2 of NRS 645B.450.
- [3.] (c) For each violation committed by a mortgage agent, the Commissioner may impose upon the mortgage agent an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage agent's license, or may do both, if the mortgage agent, whether or not acting as such:
- <del>[(a)]</del> <u>(1)</u> Is grossly negligent or incompetent in performing any act for which the mortgage agent is required to be licensed pursuant to the provisions of this chapter;
- [(b)] (2) Has made a material misrepresentation in connection with any transaction governed by this chapter;
- [(e)] (3) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of

this chapter which the mortgage agent knew or, by the exercise of reasonable diligence, should have known;

- [(d)] (4) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent ineligible to be licensed pursuant to the provisions of this chapter;
- [(e)] (5) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;
- [(f)] (6) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;
- [(g)] (7) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;
- [(h)] (8) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;
  - (9) Has violated NRS 645C.557;
- (10) Has repeatedly violated the policies and procedures of the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; [or]
- [(k)] (11) Has, directly or indirectly, received any commission, fees, points or any other compensation as remuneration for his or her services as a mortgage agent:
- [(1)] In From a person other than the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; or
- [(2)] (II) If the mortgage agent is required to be registered with the Registry, from a person other than the mortgage broker by whom the mortgage agent is employed and on whose behalf sponsorship was entered as required by subsection 2 of NRS 645B.450; or
- [(12)] Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner or has assisted or offered to assist another person to commit such a violation.
- 2. This section does not prohibit the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers so long as such a transaction is not inconsistent with any other provision of this chapter.
  - Sec. 10. NRS 645E.291 is hereby amended to read as follows:
- 645E.291 1. A mortgage banker shall exercise reasonable supervision *and control* over the activities of his or her mortgage agents and must also be licensed as a mortgage agent if required pursuant to NRS 645E.290. Such reasonable supervision *and control* must include, as appropriate:

- (a) The establishment of written [or oral] policies and procedures for the mortgage agents;
- (b) The establishment of a system to review, oversee and inspect the activities of the mortgage agents, including, without limitation:
- (1) Transactions handled by the mortgage agents pursuant to this chapter;
- (2) Communications between the mortgage agents and a party to such a transaction:
- (3) Documents prepared by the mortgage agents that may have a material effect upon the rights or obligations of a party to such a transaction; and
- (4) The handling by the mortgage agents of any fee, deposit or money paid to the mortgage banker or the mortgage agents or held in trust by the mortgage banker or the mortgage agents pursuant to this chapter; and
- (c) The establishment of a system of reporting to the Division of any fraudulent activity engaged in by any of the mortgage agents.
- 2. The Commissioner shall allow a mortgage banker to take into consideration the total number of mortgage agents associated with or employed by the mortgage banker when the mortgage banker determines the form and extent of the policies and procedures for those mortgage agents and the system to review, oversee and inspect the activities of those mortgage agents.
- 3. The Commissioner may adopt regulations prescribing standards for determining whether a mortgage banker has exercised reasonable supervision *and control* over the activities of a mortgage agent pursuant to this section.
  - Sec. 11. NRS 645F.380 is hereby amended to read as follows:
- 645F.380 The provisions of NRS 645F.300 to 645F.450, inclusive, do not apply to, and the terms "foreclosure consultant" and "foreclosure purchaser" do not include:
- 1. An attorney at law *licensed to practice in this State* rendering services in the performance of his or her duties as an attorney at law, unless the attorney at law is rendering those services in the course and scope of his or her employment by or other affiliation with a person who is licensed or required to be licensed pursuant to NRS 645F.390 [:] or is otherwise engaging in a practice that is comprised primarily of providing a covered service to his or her clients;
- 2. A provider of debt-management services registered pursuant to chapter 676A of NRS while providing debt-management services pursuant to chapter 676A of NRS;
- 3. A person or the authorized agent of a person acting under the provisions of a program sponsored by the Federal Government, this State or a local government, including, without limitation, the Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or the Federal Home Loan Bank System;

- 4. A person who holds or is owed an obligation secured by a mortgage or other lien on a residence in foreclosure if the person performs services in connection with this obligation or lien and the obligation or lien did not arise as the result of or as part of a proposed foreclosure reconveyance;
- 5. Any person doing business under the laws of this State or of the United States relating to banks, trust companies, savings and loan associations, industrial loan and thrift companies, regulated lenders, credit unions, insurance companies, or a mortgagee which is a United States Department of Housing and Urban Development approved mortgagee and any subsidiary or affiliate of those persons, and any agent or employee of those persons while engaged in the business of those persons;
- 6. A person, other than a person who is licensed pursuant to NRS 645F.390, who is licensed pursuant to chapter 692A or any chapter of title 54 of NRS while acting under the authority of the license;
- 7. A nonprofit agency or organization that offers credit counseling or advice to a homeowner of a residence in foreclosure or a person in default on a loan [13] and which maintains tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3); or
- 8. A judgment creditor of the homeowner whose claim accrued before the recording of the notice of the pendency of an action for foreclosure against the homeowner pursuant to NRS 14.010 or the recording of the notice of default and election to sell pursuant to NRS 107.080.
  - Sec. 12. This act becomes effective upon passage and approval.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 46 to Senate Bill No. 47 clarifies that two or more mortgage brokers who are properly licensed in Nevada are not prohibited from working in conjunction with one another with respect to commercial loan transactions. It also clarifies that a nonprofit agency or organization that offers credit counseling or advice to a homeowner of a residence in foreclosure must maintain 501(c)(3) tax-exempt status to be exempt from the licensing requirements as a foreclosure consultant or foreclosure purchaser.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 60.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 72.

"SUMMARY—Revises various provisions relating to businesses. (BDR 7-380)"

"AN ACT relating to business; authorizing the imposition of a fine on businesses failing to comply with the requirement to obtain or renew a state business license; amending various provisions relating to state business licenses; revising provisions governing [persons authorized to serve in this State as a] registered [agent;] agents; prohibiting the formation or registration of a business entity for certain purposes; requiring certain persons to answer

interrogatories from the Secretary of State in the course of certain investigations; revising provisions [relating to the listing of certain persons in the] governing the initial and annual lists filed with the Secretary of State by business entities; amending provisions governing the reinstatement and revival of business entities; revising various provisions relating to business entities and secured transactions; and providing other matters properly relating thereto."

## Legislative Counsel's Digest:

Existing law requires a person conducting a business in this State to obtain a state business license from the Secretary of State. (NRS 76.100) However, under existing law, certain entities, organizations, persons and businesses are not deemed to be businesses and, thus, are not required to obtain a state business license. (NRS 76.020) Section 3 of this bill requires a person deemed not to be a business to annually claim an exemption from the requirement to obtain a state business license by filing with the Secretary of State a form provided by the Secretary of State. Section 4 of this bill amends provisions governing the confidentiality of information concerning state business licenses.

Existing law provides that: (1) a person is subject to a fine of not less than \$1,000 but not more than \$10,000 if the person is purporting to do business in this State as a business entity but has willfully failed or neglected to register with the Secretary of State; and (2) the district attorney or Attorney General may recover the cost of a proceeding to recover the fine if the district attorney or Attorney General prevails. (NRS 78.047, 80.055, 82.5234, 86.213, 86.548, 87.445, 87.5405, 87A.237, 87A.610, 87A.632, 87A.652, 88.352, 88.600, 88.6062, 88.6087, 88A.215, 88A.750, 89.215) Section 2 of this bill authorizes the imposition of this fine on persons conducting business in this State who have willfully failed or neglected to comply with the requirement to obtain or renew a state business license. Sections 2, 12, 18, 25, 32, 38, 42, 45, 50, 57, 59, 60, 63, 69, 71, 72, 74, 80 and 83 of this bill provide that in the course of an investigation into a person who has willfully failed or neglected to comply with the requirement to obtain or renew a state business license or to register as an entity with the Secretary of State, the Secretary of State may require certain persons to answer interrogatories that will assist in the investigation.

Existing law requires foreign and domestic business entities to appoint a registered agent. (NRS 77.310) Section 6.3 of this bill authorizes the Secretary of State to conduct periodic, special or other examinations of the records of a registered agent. Section 6.7 of this bill authorizes the Secretary of State to impose a civil penalty of not more than \$500 on registered agents who violate certain provisions of law governing registered agents. Sections [7-9] 7.2-9 of this bill prohibit an individual in the business of serving as a registered agent from serving as the registered agent of a foreign or domestic entity or as a director, officer or managing agent of a foreign or domestic entity that is in the business of serving as a registered agent in this

State if the individual has been convicted of certain crimes or has been prohibited from serving as a registered agent in another state. Section 8 requires an individual or entity transacting business as a registered agent in this State for 10 or more business entities to register with the Secretary of State as a commercial registered agent and authorizes the Secretary of State to deny or revoke such a registration under certain circumstances. Section 7.6 of this bill eliminates the fee for registering as a commercial registered agent or terminating registration as a commercial registered agent. Under section 9, if an individual has been convicted of certain crimes or has been prohibited from serving as a registered agent in another state, a court may enjoin the individual from serving as a registered agent or as a director, officer or managing agent of a registered agent.

Existing law requires a foreign or domestic business entity to file with the Secretary of State an initial list and an annual list of the directors and officers of the entity or the persons holding the equivalent office. (NRS 78.150, 80.110, 82.523, 86.263, 86.5461, 87.510, 87.541, 87A.290, 87A.560, 88.395, 88.591, 88A.600, 88A.732, 89.250) Existing law also imposes a civil penalty on a person who willfully files in the Office of the Secretary of State a record which contains a false statement of material fact. (NRS 225.084) Sections 13, 19, 24, 33, 36, 43, 46, 52, 55, 64, 67, 75, 78 and 84 of this bill: (1) require the initial and annual list filed by a foreign or domestic business entity to include a declaration, under penalty of perjury, that none of the officers or directors, or their equivalents, has been identified in the list for the purpose of disguising with the fraudulent intent of concealing the identity of any person or persons who thave actual controll exercise the power or authority of the Idaily operations of the entity for the purpose of evading the creditors of any person or for an illegal purpose; officers or directors, or their equivalents, in furtherance of any unlawful conduct; and (2) provide that a person who files an initial or annual list that identifies officers or directors, or their equivalents, for such a purpose is subject to the civil penalty for filing a false record with the Secretary of State. Sections 13, 19, 24, 33, 36, 43, 46, 52, 55, 64, 67, 75, 78 and 84 also authorize the Secretary of State to allow a foreign or domestic business entity to select a different due date for filing its initial list under certain circumstances.

Under existing law, if a foreign or domestic business entity has not filed an annual list within 1 year after the annual list is due, the entity's right to transact business in this State is forfeited. (NRS 78.175, 80.150, 82.5235, 86.274, 86.5465, 87.520, 87.5425, 87A.300, 87A.585, 88.400, 88.593, 88A.640, 88A.735, 89.254) A foreign or domestic business entity whose right to transact business has been forfeited because the entity has failed to file an annual list may reinstate its right to transact business if, within 5 years after forfeiting its right to transact business, it files the annual list and pays certain fees. (NRS 78.180, 80.170, 82.5237, 86.276, 86.5467, 87.530, 87.5435, 87A.310, 87A.595, 88.410, 88.594, 88A.650, 88A.737, 89.256) Sections 14, 20, 26, 30, 34, 37, 44, 47, 53, 56, 65, 68, 76, 79 and 85 of this

bill require a foreign or domestic business entity seeking to reinstate its right to transact business to also file with the Secretary of State a declaration under penalty of perjury that the reinstatement is authorized by a court of competent jurisdiction in this State or the duly elected board of directors or other governing body of the entity. Sections 15, 28 and 40 of this bill require this declaration to be filed with the Secretary of State by a domestic corporation, a domestic nonprofit corporation or a domestic limited-liability company seeking to renew or revive its charter.

Existing law generally authorizes a business entity to be formed for any lawful purpose. (NRS 78.030, 82.081, 86.141, 87.440, 87A.155, 87A.630, 88.342, 88.606, 88A.200) Sections 11, 21, 23, 31, 41, 49, 58, 62, 70, 73 and 82 of this bill prohibit a person from forming a business entity for an [illieit] illegal purpose or with the intent to [cause] conceal any business activity, or lack thereof, from another person or a governmental agency. [to believe that any person has engaged in business activity through the entity during a period in which no such business activity has occurred.]

Existing law requires business entities formed under the laws of another state or a foreign country to register with the Secretary of State before conducting business in this State. (NRS 80.010, 86.544, 87A.540, 88.575, 88A.710) Sections 17, 35, 54, 66 and 77 of this bill prohibit a business entity formed under the laws of another state or a foreign country from registering to do business in this State [if the foreign entity was formed] for an [illieit] illegal purpose or with the intent to [eause] conceal any business activity, or lack thereof, from another person or a governmental entity... [to believe that any person has engaged in business activity through the foreign entity during a period in which no such business activity occurred.]

Existing law requires a foreign corporation seeking to register with the Secretary of State to do business in this State to file a certificate of existence issued by the authorized officer of the jurisdiction in which the corporation was incorporated. (NRS 80.010) Section 17 of this bill requires a foreign corporation to file a declaration of the existence of the corporation and that the foreign corporation is in good standing in the jurisdiction in which it was incorporated rather than a certificate of existence. Section 35 of this bill requires a foreign limited-liability company seeking to register with the Secretary of State before commencing business in this State to file such a declaration.

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

- Section 1. Chapter 76 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. Every person who conducts a business in this State and who willfully fails or neglects to obtain or renew a state business license as required by this chapter and to pay the fees required by NRS 76.100 and 76.130 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, finstructf refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
- Sec. 3. 1. Except as otherwise provided in subsection 2, a person who claims to be excluded from the requirement to obtain a state business license because the person is an entity, organization, person or business listed in subsection 2 of NRS 76.020 or who conducts a business in this State but claims to be exempt from the requirement to obtain a state business license must submit annually to the Secretary of State a claim for the exemption on a form provided by the Secretary of State.
- 2. The provisions of subsection 1 do not apply to a business organized pursuant to chapter 82 or 84 of NRS.
  - Sec. 4. NRS 76.160 is hereby amended to read as follows:
- 76.160 1. Except as otherwise provided in this chapter and NRS 239.0115, the records and files of the Secretary of State concerning the administration of this chapter are confidential and privileged. The Secretary of State, and any employee of the Secretary of State engaged in the administration of this chapter or charged with the custody of any such records or files, shall not disclose any information obtained from those records or files. Neither the Secretary of State nor any employee of the Secretary of State may be required to produce any of the records, files and information for the inspection of any person or for use in any action or proceeding.
- 2. The records and files of the Secretary of State concerning the administration of this chapter are not confidential and privileged in the following cases:
- (a) Testimony by a member or employee of the Secretary of State and production of records, files and information on behalf of the Secretary of State or a person in any action or proceeding pursuant to the provisions of this chapter if that testimony or the records, files or information, or the facts shown thereby, are directly involved in the action or proceeding.

- (b) Delivery to a person or his or her authorized representative of a copy of any document filed by the person pursuant to this chapter.
- (c) Publication of statistics so classified as to prevent the identification of a particular business or document.
- (d) Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases.
- (e) Disclosure in confidence to any person authorized to audit the accounts of the Secretary of State in pursuance of an audit, or to the Attorney General or other legal representative of the State in connection with an action or proceeding pursuant to this chapter, or to any agency of this or any other state charged with the administration or enforcement of laws relating to workers' compensation, unemployment compensation, public assistance, taxation, labor or gaming.
  - (f) Exchanges of information pursuant to subsection 3.
- (g) Disclosure of information concerning whether or not a person conducting a business in this State has a state business license [.] and, if the person is conducting a business in this State, the street address in this State at which the person is conducting that business.
- 3. The Secretary of State may agree with any county fair and recreation board or the governing body of any county, city or town for the continuing exchange of information concerning taxpayers.
- 4. Upon the request of any law enforcement agency in the course of a criminal investigation or upon the request of any agency or political subdivision of this State, another state or the United States in the course of an enforcement action, the Secretary of State may provide to the requesting law enforcement agency, agency or political subdivision information contained in its records and files relating to a state business license.
- 5. The Secretary of State shall periodically, as he or she deems appropriate, but not less often than annually, transmit to the Administrator of the Division of Industrial Relations of the Department of Business and Industry a list of the businesses of which the Secretary of State has a record. The list must include the mailing address of the business as reported to the Secretary of State.
- Sec. 5. Chapter 77 of NRS is hereby amended by adding thereto the provisions set forth as sections 6 [and] to 7, inclusive, of this act.
- Sec. 6. 1. Any individual residing or corporation located in this State may register for that calendar year a willingness to serve as the registered agent of a domestic or foreign corporation, limited-liability company or limited partnership with the Secretary of State. The registration must state the full, legal name of the individual or corporation willing to serve as the registered agent and be accompanied by a fee of \$500 per office location of the registered agent.
- 2. The Secretary of State shall maintain a list of those individuals and corporations who are registered pursuant to subsection 1 and make the list available to persons seeking to do business in this State.

- 3. The Secretary of State may amend any information provided in the list if an individual or a corporation who is included in the list:
  - (a) Requests the amendment; and
  - (b) Pays a fee of \$50.
- 4. The Secretary of State may adopt regulations prescribing the content, maintenance and presentation of the list.
- Sec. 6.3. The Secretary of State may conduct periodic, special or any other examinations of any records required to be maintained pursuant to this chapter or any other provision of NRS pertaining to the duties of a registered agent as the Secretary of State deems necessary or appropriate to determine whether a violation of this chapter or any other provision of NRS pertaining to the duties of a registered agent has been violated.
- Sec. 6.7. 1. A person who violates a provision of this chapter is subject to a civil penalty of not more than \$500, to be recovered in a civil action brought in the district court in the county in which the person's principal place of business is located or in the district court of Carson City. The court may reduce the amount of the civil penalty imposed by the Secretary of State if the court determines that the amount of the civil penalty is disproportionate to the violation.
- 2. Except as otherwise provided in subsection 3, before filing a civil action to recover a civil penalty pursuant to subsection 1, if the person who allegedly violated a provision of this chapter has not been issued a written notice of a violation of this chapter within the immediately preceding 3 years, the Secretary of State must provide to the person written notice of the alleged violation and 10 business days to correct the alleged violation. The Secretary of State may provide a greater period to correct the alleged violation as the Secretary of State deems appropriate.
- 3. If a person who allegedly violated a provision of this chapter engaged in conduct in the course of acting as a registered agent that was intended to deceive or defraud the public or to promote illegal activities, the Secretary of State may take any or all of the following actions:
- (a) File a civil action pursuant to subsection 1 without providing the notice and the opportunity to correct the alleged violation required by subsection 2.
- (b) Deny or revoke the person's registration as a commercial registered agent.
- (c) Issue an order requiring the person to comply with the provisions of this chapter.
- (d) Refuse to accept filings for entities for which the person serves as registered agent.
- Sec. 7. [1. An individual who is in the business of serving in this State as a noncommercial registered agent may not serve in this State as the agent for service of process of a foreign or domestic entity if the individual:

- (a) Has been convicted of a felony or any crime which includes an element of dishonesty or fraud or involves moral turpitude and has not had his or her civil rights restored.
- (b) Has had his or her ability to serve as a registered agent revoked by the appropriate authority of another state, or has been enjoined by a court of competent jurisdiction from serving as a registered agent, because the individual has engaged in conduct in his or her capacity as a registered agent that was intended to or likely to deceive or defraud the public.
- 2. An individual may not serve as the director, officer or managing agent of a foreign or domestic entity which is in the business of serving in this State as a noncommercial registered agent if the individual:
- (a) Has been convicted of a felony or any crime which includes an element of dishonesty or fraud or involves moral turpitude and has not had his or her civil rights restored.
- (b) Has had his or her ability to serve as a registered agent or a director, officer or managing agent of a registered agent revoked by the appropriate authority of another state, or has been enjoined by a court of competent jurisdiction from serving as a registered agent or a director, officer or managing agent of a registered agent, because the individual has engaged in conduct in his or her capacity as a registered agent, or as a director, officer or managing agent of a registered agent, that was intended to or likely to deceive or defraud the public.] (Deleted by amendment.)
- Sec. 7.2. NRS 77.040 is hereby amended to read as follows:
- 77.040 "Commercial registered agent" means an individual or a domestic or foreign entity [listed] transacting business as a registered agent for 10 or more entities or any registered agent who elects to be registered under NRS 77.320.
  - Sec. 7.4. NRS 77.140 is hereby amended to read as follows:
- 77.140 "Noncommercial registered agent" means a person that is not <del>[listed]</del> <u>registered</u> as a commercial registered agent under NRS 77.320 and that is:
- 1. An individual or a domestic or foreign entity that serves in this State as the agent for service of process of an entity; or
- 2. The individual who holds the office or other position in an entity that is designated as the agent for service of process pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 77.310.
  - Sec. 7.6. NRS 77.280 is hereby amended to read as follows:
- 77.280 1. The Secretary of State shall collect the following fees when a filing is made under this chapter:
  - (a) [For a commercial registered agent listing statement, \$75.
- (b) For a commercial registered agent termination statement, \$100.
- (e) For a statement of change, \$60.
- [(d)] <u>(b)</u> For a statement of resignation, \$100 for the first entity listed on the statement of resignation and \$1 for each additional entity listed on the statement of resignation.

- [(e)] (c) For a statement appointing an agent for service of process, \$60.
- 2. The Secretary of State shall collect the following fees for copying and certifying a copy of any document filed under this chapter:
  - (a) For copying any document, \$2 per page.
  - (b) For certifying a copy of any document, \$30.
  - Sec. 8. NRS 77.320 is hereby amended to read as follows:
- 77.320 1. <u>An individual or a domestic or foreign entity shall not serve</u> as the registered agent in this State of 10 or more domestic or foreign entities unless the individual or domestic or foreign entity is registered as a commercial registered agent pursuant to this section.
- <u>2.</u> An individual or a domestic or foreign entity may become <u>[listed] registered</u> as a commercial registered agent by filing with the Secretary of State a commercial registered agent <u>[listing] registration</u> statement <u>on a form prescribed by the Secretary of State</u> signed <u>under penalty of perjury</u> by the individual or by an individual authorized to sign the statement on behalf of the <u>[person,]</u> entity, which states:
- (a) The <u>legal</u> name of the individual or the <u>legal</u> name, type and jurisdiction of organization of the entity;
- (b) That the person is in the business of serving as a commercial registered agent in this State; [and]
- (c) The address of a place of business of the person in this State to which service of process and other notice and documents being served on or sent to entities represented by it may be delivered; [.]
- [2-] (d) The name, address and telephone number of the individual who has the authority to act on behalf of the commercial registered agent;
  - (e) If the person filing the statement is an individual, that the individual:
- (1) Has not been convicted of a felony for any crime which includes an element of dishonesty or fraud or involves moral turpitude] or, if the individual has been convicted of fsuch a felony, for crime, a statement that the individual has had his or her civil rights restored; and
- (2) Has not had his or her ability to serve as a registered agent denied or revoked by the appropriate authority of this State or another state, or has not been enjoined by a court of competent jurisdiction from serving as a registered agent, because the individual has engaged in conduct in his or her capacity as a registered agent that was intended to or likely to deceive or defraud the public; fand
- (e) If the person filing the statement is a domestic or foreign entity, that each director, officer or managing agent of the entity:
- (1) Has not been convicted of a felony for any crime which includes an element of dishonesty or fraud or involves moral turpitude] or, if a director, officer or managing agent has been convicted of fister! a felony, for crime, a statement that the individual has had his or her civil rights restored; and
- (2) Has not had his or her ability to serve as a registered agent or a director, officer or managing agent of a registered agent denied or revoked by the appropriate authority of this State or another state, or has not been

- (g) Any other information the Secretary of State deems appropriate.
- 3. If the name of a person filing a commercial registered agent <u>Flistingly registration</u> statement is not distinguishable on the records of the Secretary of State from the name of another commercial registered agent <u>Flistedly registered</u> under this section, the person must adopt a fictitious name that is distinguishable and use that name in its statement and when it does business in this State as a commercial registered agent. For the purposes of this subsection, a proposed name is not distinguishable from another name solely because one or the other contains distinctive lettering, a distinctive mark, a trademark or a trade name or any combination of these. The Secretary of State may adopt regulations that interpret the requirements of this subsection.
- [3.] 4. A commercial registered agent [listing] <u>registration</u> statement takes effect on filing.
- [4.] 5. The Secretary of State shall note the filing of the commercial registered agent [listing] registration statement in the index of filings maintained by the Secretary of State for each entity represented by the registered agent at the time of the filing. The statement has the effect of deleting the address of the registered agent from the registered agent filing of each of those entities.
- 6. The Secretary of State may deny registration as a commercial registered agent or revoke the registration of a commercial registered agent if the person filing the registration statement or the commercial registered agent is:
  - (a) An individual who:
- (1) Has been convicted of a felony and has not had his or her civil rights restored; or
- (2) Has had his or her ability to serve as a registered agent denied or revoked by the appropriate authority of this State or another state, or has been enjoined by a court of competent jurisdiction from serving as a registered agent, because the individual has engaged in conduct in his or her capacity as a registered agent that was intended to or likely to deceive or defraud the public; or
- (b) A domestic or foreign entity, and a director, officer or managing agent of the entity:
- (1) Has been convicted of a felony and the individual has not had his or her civil rights restored; or
- (2) Has had his or her ability to serve as a registered agent or a director, officer or managing agent of a registered agent denied or revoked by the appropriate authority of this State or another state, or has been enjoined by a court of competent jurisdiction from serving as a registered

agent or a director, officer or managing agent of a registered agent, because the individual has engaged in conduct in his or her capacity as a registered agent, or as a director, officer or managing agent of a registered agent, that was intended to or likely to deceive or defraud the public.

- Sec. 8.3. NRS 77.330 is hereby amended to read as follows:
- 77.330 1. A commercial registered agent <u>which serves as the registered agent in this State for less than 10 entities or which ceases to serve as a registered agent in this State may terminate its [listing] registration as a commercial registered agent by filing with the Secretary of State a commercial registered agent termination statement signed by or on behalf of the agent which states:</u>
- (a) The name of the agent as currently [listed] registered under NRS 77.320; and
- (b) That the agent is no longer in the business of serving as a commercial registered agent in this State.
- 2. A commercial registered agent termination statement takes effect on the 31st day after the day on which it is filed.
- 3. The commercial registered agent shall promptly furnish each entity represented by it with notice in a record of the filing of the commercial registered agent termination statement.
- 4. When a commercial registered agent termination statement takes effect, the registered agent ceases to be an agent for service of process on each entity formerly represented by it. Termination of the [listing] registration of a commercial registered agent under this section does not affect any contractual rights a represented entity may have against the agent or that the agent may have against the entity.
  - Sec. 8.5. NRS 77.360 is hereby amended to read as follows:
- 77.360 1. If a commercial registered agent changes its name, its address as currently [listed] registered under subsection [11] 2 of NRS 77.320 or its type or jurisdiction of organization, the agent shall file with the Secretary of State a statement of change signed by or on behalf of the agent which states:
- (a) The name of the agent as currently  $\frac{\text{[listed]}}{\text{[listed]}}$   $\frac{\text{registered}}{\text{[listed]}}$  under subsection  $\frac{\text{[1]}}{\text{[2]}}$  of NRS 77.320;
  - (b) If the name of the agent has changed, its new name;
  - (c) If the address of the agent has changed, the new address; and
- (d) If the type or jurisdiction of organization of the agent has changed, the new type or jurisdiction of organization.
- 2. The filing of a statement of change under subsection 1 is effective to change the information regarding the commercial registered agent with respect to each entity represented by the agent.
  - 3. A statement of change filed under this section takes effect on filing.
- 4. A commercial registered agent shall promptly furnish each entity represented by it with notice in a record of the filing of a statement of change

relating to the name or address of the agent and the changes made by the filing.

- 5. If a commercial registered agent changes its address without filing a statement of change as required by this section, the Secretary of State may cancel the <a href="#">[Histing]</a> registration of the agent under NRS 77.320. A cancellation under this subsection has the same effect as a termination under NRS 77.330. Promptly after cancelling the <a href="#">[Histing]</a> registration of an agent, the Secretary of State shall serve notice in a record on the:
- (a) Governors of each entity represented by the agent, stating that the agent has ceased to be an agent for service of process on the entity and that, until the entity appoints a new registered agent, service of process may be made in the manner provided by NRS 14.030; and
- (b) Agent, stating that the [listing] <u>registration</u> of the agent has been cancelled under this section.
  - Sec. 8.7. NRS 77.400 is hereby amended to read as follows:
- 77.400 The only duties under this chapter required of a registered agent who has complied with this chapter are:
- 1. To forward to the represented entity at the address most recently supplied to the agent by the entity any process, notice or demand that is served on the agent;
- 2. To provide the notices required by this chapter to the entity at the address most recently supplied to the agent by the entity;
- 3. If the agent is a noncommercial registered agent, to keep current the information required pursuant to NRS 77.310 in the most recent registered agent filing for the entity; and
- 4. If the agent is a commercial registered agent, to keep current the information [listed for it] in its registration under subsection [1] 2 of NRS 77.320.
  - Sec. 9. NRS 77.430 is hereby amended to read as follows:
- 77.430 1. The Secretary of State may adopt such regulations as he or she deems necessary to carry out and ensure compliance with the provisions of this chapter and any other provision of law which governs the conduct of registered agents.
- 2. Upon application of the Secretary of State, the district court may enjoin any person from serving as a registered agent or as an officer, director or managing agent of a registered agent if the court finds that:
- (a) The registered agent failed to comply with any provision of law governing the conduct of registered agents after reasonable notice and an opportunity to correct the failure; [or]
- (b) The registered agent engaged in conduct in his or her capacity as registered agent that was intended to deceive or defraud the public or to promote illegal activities  $[\cdot]$ ;
- (c) The registered agent or the officer, director or managing agent has been convicted of a felony for any erime which includes an element of

dishonesty or fraud or involves moral turpitude] and has not been restored to his or her civil rights; or

- (d) The registered agent or the officer, director or managing agent has had his or her ability to serve as a registered agent or a director, officer or managing agent of a registered agent denied or revoked by the appropriate authority of this State or another state, or has been enjoined by a court of competent jurisdiction from serving as a registered agent or a director, officer or managing agent of a registered agent, because the individual has engaged in conduct in his or her capacity as a registered agent, or as a director, officer or managing agent of a registered agent, that was intended to or likely to deceive or defraud the public.
  - Sec. 10. NRS 78.0295 is hereby amended to read as follows:
- 78.0295 1. A corporation may correct a record filed in the Office of the Secretary of State with respect to the corporation if the record contains an inaccurate description of a corporate action or if the record was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the corporation must:
  - (a) Prepare a certificate of correction which:
    - (1) States the name of the corporation;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by an officer of the corporation or, if no stock has been issued by the corporation, by the incorporator or a director of the corporation [.], or by some other person specifically authorized by the corporation to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a corporation has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the corporation may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying the required fee pursuant to subsection 7 of NRS 78.785.
  - Sec. 11. NRS 78.030 is hereby amended to read as follows:
- 78.030 1. One or more persons may establish a corporation for the transaction of any lawful business, or to promote or conduct any legitimate object or purpose, pursuant and subject to the requirements of this chapter, by signing and filing in the Office of the Secretary of State articles of incorporation. A person shall not establish a corporation for any fillieit illegal purpose or with the fraudulent intent to feause conceal any business

<u>activity, or lack thereof, from</u> another person or a governmental agency. <u>Ito believe that any person has conducted business activity through the corporation during a period in which no such business activity occurred.</u>

- 2. The articles of incorporation must be as provided in NRS 78.035, and the Secretary of State shall require them to be in the form prescribed. If any articles are defective in this respect, the Secretary of State shall return them for correction.
  - Sec. 12. NRS 78.047 is hereby amended to read as follows:
- 78.047 1. Every person, other than a corporation organized and existing pursuant to the laws of another state, territory, the District of Columbia, a possession of the United States or a foreign country, who is purporting to do business in this State as a corporation and who willfully fails or neglects to file with the Secretary of State articles of incorporation is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, <code>[instruet]</code> refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 12.5. NRS 78.097 is hereby amended to read as follows:
- 78.097 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, the corporation, before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. A corporation that fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 78.170 and 78.175.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 13. NRS 78.150 is hereby amended to read as follows:

- 78.150 1. A corporation organized pursuant to the laws of this State shall, on or before the last day of the first month after the filing of its articles of incorporation with the Secretary of State  $\frac{1}{127}$  or, if the corporation has selected an alternative due date pursuant to subsection 11, on or before that alternative due date, file with the Secretary of State a list, on a form furnished by the Secretary of State, containing:
  - (a) The name of the corporation;
  - (b) The file number of the corporation, if known;
- (c) The names and titles of the president, secretary and treasurer, or the equivalent thereof, and of all the directors of the corporation;
- (d) The address, either residence or business, of each officer and director listed, following the name of the officer or director; *and* 
  - (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of an officer of the corporation, or some other person specifically authorized by the corporation to sign the list, certifying that the list is true, complete and accurate.
- 2. The corporation shall annually thereafter, on or before the last day of the month in which the anniversary date of incorporation occurs in each year or, if, pursuant to subsection 11, the corporation has selected an alternative due date for filing the list required by subsection 1, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, an annual list containing all of the information required in subsection 1.
  - 3. Each list required by subsection 1 or 2 must be accompanied by:
  - (a) A declaration under penalty of perjury that : [the corporation:]
- (1) [Has] The corporation has complied with the provisions of chapter 76 of NRS; [and]
- (2) [Acknowledges] The corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State [.]; and
- (3) None of the officers or directors identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the corporation, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.
- (b) A statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on the Secretary of State's Internet website the Central Index Key of a corporation provided pursuant to this paragraph and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.
  - 4. Upon filing the list required by:

- (a) Subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.
- (b) Subsection 2, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less	\$125
Over \$75,000 and not over \$200,000	
Over \$200,000 and not over \$500,000	275
Over \$500,000 and not over \$1,000,000	375
Over \$1,000,000:	
For the first \$1,000,000	375
For each additional \$500,000 or fraction thereof	

- $\rightarrow$  The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is \$11,100.
- 5. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 6. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 2, provide to each corporation which is required to comply with the provisions of NRS 78.150 to 78.185, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 4 and a reminder to file the annual list required by subsection 2. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by law.
- 7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective in any respect or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.
- 8. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and must be accompanied by the appropriate fee as provided in subsection 4 for filing. A payment submitted pursuant to this subsection does not satisfy the requirements of subsection 2 for the year to which the due date is applicable.
- 9. A person who files with the Secretary of State a list required by subsection 1 or 2 which identifies an officer or director for the purpose of disguising the person or persons who have actual control over the daily operations of the corporation, for the purpose of evading the creditors of any person or for any illegal purposel with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 10. For the purposes of this section, a stockholder is not deemed to exercise actual control of the daily operations of a corporation based solely on the fact that the stockholder has voting control of the corporation.

- 11. The Secretary of State may allow a corporation to select an alternative due date for filing the list required by subsection 1.
- 12. The Secretary of State may adopt regulations to administer the provisions of subsection 11.
  - Sec. 14. NRS 78.180 is hereby amended to read as follows:
- 78.180 1. Except as otherwise provided in subsections 3 and 4 and NRS 78.152, the Secretary of State shall reinstate a corporation which has forfeited or which forfeits its right to transact business pursuant to the provisions of this chapter and shall restore to the corporation its right to carry on business in this State, and to exercise its corporate privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 78.150;
    - (2) The statement required by NRS 78.153, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the corporation or, if the corporation does not have a board of directors, the equivalent of such a board; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 78.150 and 78.170 for each year or portion thereof during which it failed to file each required annual list in a timely manner;
  - (2) The fee set forth in NRS 78.153, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the corporation, the Secretary of State shall issue to the corporation a certificate of reinstatement if the corporation:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to subsection 7 of NRS 78.785.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the charter occurred only by reason of failure to pay the fees and penalties.
- 4. If a corporate charter has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 consecutive years, the charter must not be reinstated.
- 5. Except as otherwise provided in NRS 78.185, a reinstatement pursuant to this section relates back to the date on which the corporation forfeited its right to transact business under the provisions of this chapter and reinstates the corporation's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 15. NRS 78.730 is hereby amended to read as follows:
- 78.730 1. Except as otherwise provided in NRS 78.152, any corporation which did exist or is existing under the laws of this State may,

upon complying with the provisions of NRS 78.180, procure a renewal or revival of its charter for any period, together with all the rights, franchises, privileges and immunities, and subject to all its existing and preexisting debts, duties and liabilities secured or imposed by its original charter and amendments thereto, or existing charter, by filing:

- (a) A certificate with the Secretary of State, which must set forth:
- (1) The name of the corporation, which must be the name of the corporation at the time of the renewal or revival, or its name at the time its original charter expired.
  - (2) The information required pursuant to NRS 77.310.
- (3) The date when the renewal or revival of the charter is to commence or be effective, which may be, in cases of a revival, before the date of the certificate.
- (4) Whether or not the renewal or revival is to be perpetual, and, if not perpetual, the time for which the renewal or revival is to continue.
- (5) That the corporation desiring to renew or revive its charter is, or has been, organized and carrying on the business authorized by its existing or original charter and amendments thereto, and desires to renew or continue through revival its existence pursuant to and subject to the provisions of this chapter.
- (b) A list of its president, secretary and treasurer, or the equivalent thereof, and all of its directors and their addresses, either residence or business.
- (c) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the renewal or revival is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the corporation or, if the corporation does not have a board of directors, the equivalent of such a board.
- 2. A corporation whose charter has not expired and is being renewed shall cause the certificate to be signed by an officer of the corporation. The certificate must be approved by a majority of the voting power of the shares.
- 3. A corporation seeking to revive its original or amended charter shall cause the certificate to be signed by a person or persons designated or appointed by the stockholders of the corporation. The signing and filing of the certificate must be approved by the written consent of stockholders of the corporation holding at least a majority of the voting power and must contain a recital that this consent was secured. If no stock has been issued, the certificate must contain a statement of that fact, and a majority of the directors then in office may designate the person to sign the certificate. The corporation shall pay to the Secretary of State the fee required to establish a new corporation pursuant to the provisions of this chapter.
- 4. The filed certificate, or a copy thereof which has been certified under the hand and seal of the Secretary of State, must be received in all courts and places as prima facie evidence of the facts therein stated and of the existence and incorporation of the corporation therein named.
  - Sec. 16. NRS 80.007 is hereby amended to read as follows:

- 80.007 1. A foreign corporation may correct a record filed in the Office of the Secretary of State if the record contains an incorrect statement or was defectively signed, attested, sealed or verified.
  - 2. To correct a record, the corporation must:
  - (a) Prepare a certificate of correction which:
    - (1) States the name of the corporation;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by an officer of the corporation or, if no stock has been issued by the corporation, by the incorporator or a director of the corporation [.], or by some other person specifically authorized by the corporation to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a foreign corporation has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the foreign corporation may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying the required fee pursuant to subsection 7 of NRS 78.785.
  - Sec. 17. NRS 80.010 is hereby amended to read as follows:
- 80.010 1. Before commencing or doing any business in this State, each corporation organized pursuant to the laws of another state, territory, the District of Columbia, a possession of the United States or a foreign country that enters this State to do business must:
  - (a) File in the Office of the Secretary of State: [of this State:]
- (1) [A certificate of corporate existence issued not more than 90 days before the date of filing by an authorized officer of the jurisdiction of its incorporation setting forth the filing of records and instruments related to the articles of incorporation, or the governmental acts or other instrument or authority by which the corporation was created. If the certificate is in a language other than English, a translation, together with the oath of the translator and his or her attestation of its accuracy, must be attached to the certificate.
- (2)] The information required pursuant to NRS 77.310. The street address of the registered agent is the registered office of the corporation in this State.
- [(3)] (2) A statement signed by an officer of the corporation, or some other person specifically authorized by the corporation to sign the statement, setting forth:

- (I) A general description of the purposes of the corporation; [and]
- (II) The authorized stock of the corporation and the number and par value of shares having par value and the number of shares having no par value [-];
- (III) A declaration of the existence of the corporation and the name of the jurisdiction of its incorporation or the governmental acts or other instrument of authority by which the corporation was created; and
- (IV) A declaration that the corporation is in good standing in the jurisdiction of its incorporation or creation.
- (b) Lodge in the Office of the Secretary of State a copy of the record most recently filed by the corporation in the jurisdiction of its incorporation setting forth the authorized stock of the corporation, the number of par-value shares and their par value, and the number of no-par-value shares.
- 2. The Secretary of State shall not file the records required by subsection 1 for any foreign corporation whose name is not distinguishable on the records of the Secretary of State from the names of all other artificial persons formed, organized, registered or qualified pursuant to the provisions of this title that are on file in the Office of the Secretary of State and all names that are reserved in the Office of the Secretary of State pursuant to the provisions of this title, unless the written, acknowledged consent of the holder of the name on file or reserved name to use the same name or the requested similar name accompanies the articles of incorporation.
- 3. For the purposes of this section and NRS 80.012, a proposed name is not distinguishable from a name on file or reserved solely because one or the other names contains distinctive lettering, a distinctive mark, a trademark or trade name, or any combination thereof.
- 4. The name of a foreign corporation whose charter has been revoked, which has merged and is not the surviving entity or whose existence has otherwise terminated is available for use by any other artificial person.
- 5. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if the name of the corporation contains the words "engineer," "engineered," "engineering," "professional engineer," "registered engineer" or "licensed engineer" unless the State Board of Professional Engineers and Land Surveyors certifies that:
- (a) The principals of the corporation are licensed to practice engineering pursuant to the laws of this State; or
  - (b) The corporation is exempt from the prohibitions of NRS 625.520.
- 6. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if the name of the corporation contains the words "architect," "architecture," "registered architect," "licensed architect," "registered interior designer," "registered interior designer," "residential designer," "licensed residential designer," "residential designer," unless the State Board of Architecture, Interior Design and Residential Design certifies that:

- (a) The principals of the corporation are holders of a certificate of registration to practice architecture or residential design or to practice as a registered interior designer, as applicable, pursuant to the laws of this State; or
- (b) The corporation is qualified to do business in this State pursuant to NRS 623.349.
- 7. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if it appears from the records that the business to be carried on by the corporation is subject to supervision by the Commissioner of Financial Institutions, unless the Commissioner certifies that:
- (a) The corporation has obtained the authority required to do business in this State; or
- (b) The corporation is not subject to or is exempt from the requirements for obtaining such authority.
- 8. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if the name of the corporation contains the word "accountant," "accounting," "accountancy," "auditor" or "auditing" unless the Nevada State Board of Accountancy certifies that the foreign corporation:
  - (a) Is registered pursuant to the provisions of chapter 628 of NRS; or
- (b) Has filed with the Nevada State Board of Accountancy under penalty of perjury a written statement that the foreign corporation is not engaged in the practice of accounting and is not offering to practice accounting in this State.
- 9. The Secretary of State may adopt regulations that interpret the requirements of [this section.] subsections 1 to 8, inclusive.
- 10. A fforeign corporation may] person shall not file the records required by subsection 1 fif the foreign corporation was organized] for any fillieit] illegal purpose or with the fraudulent intent to feause] conceal any business activity, or lack thereof, from another person or a governmental agency. Ito believe that any person has conducted business activity through the foreign corporation during a period in which no such business activity occurred.
  - Sec. 18. NRS 80.055 is hereby amended to read as follows:
- 80.055 1. Every corporation which willfully fails or neglects to comply with the provisions of NRS 80.010 to 80.040, inclusive, is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Except as otherwise provided in subsection 3, every corporation which fails or neglects to comply with the provisions of NRS 80.010 to 80.040, inclusive, may not commence or maintain any action or proceeding in any court of this State until it has fully complied with the provisions of NRS 80.010 to 80.040, inclusive.

- 3. An action or proceeding may be commenced by such a corporation if an extraordinary remedy available pursuant to chapter 31 of NRS is all or part of the relief sought. Such an action or proceeding must be dismissed without prejudice if the corporation does not comply with the provisions of NRS 80.010 to 80.040, inclusive, within 45 days after the action or proceeding is commenced.
- 4. When the Secretary of State is advised that a corporation is doing business in contravention of NRS 80.010 to 80.040, inclusive, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county where the corporation has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover any applicable fine provided for in this section. The district attorney of the county where the corporation has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a corporation to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. The failure of a corporation to comply with the provisions of NRS 80.010 to 80.040, inclusive, does not impair the validity of any contract or act of the corporation, or prevent the corporation from defending any action, suit or proceeding in any court of this State.
- [6.] 7. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 18.5. NRS 80.070 is hereby amended to read as follows:
- 80.070 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, the corporation, before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. A corporation that fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 80.150 and 80.160.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 19. NRS 80.110 is hereby amended to read as follows:
- 80.110 1. Each foreign corporation doing business in this State shall, on or before the last day of the first month after the filing [of its certificate of corporate existence] with the Secretary of State [ $\frac{1}{2}$ ] the information required by NRS 80.010  $\frac{1}{2}$ ] or, if the foreign corporation has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and

annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year [17] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

- (a) The names and addresses, either residence or business, of its president, secretary and treasurer, or the equivalent thereof, and all of its directors; *and* 
  - (b) [The information required pursuant to NRS 77.310; and
- (e)] The signature of an officer of the corporation  $[\cdot]$  or some other person specifically authorized by the corporation to sign the list.
  - 2. Each list filed pursuant to subsection 1 must be accompanied by:
  - (a) A declaration under penalty of perjury that [the]:
- (1) The foreign corporation has complied with the provisions of chapter 76 of NRS [and which];
- (2) The foreign corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State [.]; and
- (3) None of the officers or directors identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign corporation, for the purpose of evading the ereditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.
- (b) A statement as to whether the foreign corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on the Secretary of State's Internet website the Central Index Key of a corporation provided pursuant to this subsection and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.
  - 3. Upon filing:
- (a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less	\$125
Over \$75,000 and not over \$200,000	175
Over \$200,000 and not over \$500,000	275
Over \$500,000 and not over \$1,000,000	
Over \$1,000,000:	

- 4. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each corporation which is required to comply with the provisions of NRS 80.110 to 80.175, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list pursuant to subsection 1. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.175, inclusive.
- 6. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 7. A person who files with the Secretary of State a list required by subsection 1 which identifies an officer or director for the purpose of disguising the person or persons who have actual control over the daily operations of the foreign corporation, for the purpose of evading the ereditors of any person or for any illegal purpose] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 8. For the purposes of this section, a stockholder is not deemed to exercise actual control of the daily operations of a corporation based solely on the fact that the stockholder has voting control of the corporation.
- 9. The Secretary of State may allow a foreign corporation to select an alternative due date for filing the initial list required by subsection 1.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.
  - Sec. 20. NRS 80.170 is hereby amended to read as follows:
- 80.170 1. Except as otherwise provided in subsections 3 and 4 or NRS 80.113, the Secretary of State shall reinstate a corporation which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the corporation its right to transact business in this State, and to exercise its corporate privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list as provided in NRS 80.110 and 80.140;
    - (2) The statement required by NRS 80.115, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and

- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the foreign corporation or, if the foreign corporation does not have a board of directors, the equivalent of such a board; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 80.110 and 80.150 for each year or portion thereof that its right to transact business was forfeited;
  - (2) The fee set forth in NRS 80.115, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the corporation, the Secretary of State shall issue to the corporation a certificate of reinstatement if the corporation:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to subsection 7 of NRS 78.785.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a corporation to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right is not subject to reinstatement.
- 5. Except as otherwise provided in NRS 80.175, a reinstatement pursuant to this section relates back to the date on which the corporation forfeited its right to transact business under the provisions of this chapter and reinstates the corporation's right to transact business as if such right had at all times remained in full force and effect.
- Sec. 21. Chapter 81 of NRS is hereby amended by adding thereto a new section to read as follows:
- A person shall not form an entity pursuant to this chapter for any fillieitf illegal purpose or with the fraudulent intent to feausef conceal any business activity, or lack thereof, from another person or a governmental agency. It believe that any person has conducted business activity through the entity during a period in which no such business activity occurred.
  - Sec. 22. NRS 81.006 is hereby amended to read as follows:
- 81.006 1. A nonprofit cooperative corporation, a cooperative association, a charitable organization or any other entity formed under the provisions of this chapter may correct a record filed with the Secretary of State with respect to the entity if the record contains an inaccurate description of an action or if the record was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the entity must:
  - (a) Prepare a certificate of correction which:
    - (1) States the name of the entity;
    - (2) Describes the record, including, without limitation, its filing date;

- (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by an officer of the entity or, if the certificate is filed before the first meeting of the board of directors, by an incorporator or director  $[\cdot]$ , or by some other person specifically authorized by the entity to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$25 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a nonprofit cooperative corporation, a cooperative association, a charitable organization or any other entity formed under the provisions of this chapter has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the nonprofit cooperative corporation, cooperative association, charitable organization or other entity may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 23. NRS 82.081 is hereby amended to read as follows:
- 82.081 1. One or more natural persons may associate to establish a corporation no part of the income or profit of which is distributable to its members, directors or officers, except as otherwise provided in this chapter, for the transaction of any lawful business, or to promote or conduct any legitimate object or purpose, pursuant and subject to the requirements of this chapter, by signing and filing in the Office of the Secretary of State articles of incorporation. A person shall not establish a corporation pursuant to this chapter for any fillieit illegal purpose or with the fraudulent intent to featise conceal any business activity, or lack thereof, from another person or a governmental agency. Ito believe that any person has conducted business activity through the corporation during a period in which no such business activity occurred.
- 2. The Secretary of State shall require articles of incorporation to be in the form prescribed by NRS 82.086. If any articles are defective in this respect, the Secretary of State shall return them for correction.
  - Sec. 24. NRS 82.523 is hereby amended to read as follows:
- 82.523 1. Each foreign nonprofit corporation doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign nonprofit corporation with the Secretary of State [] or, if the foreign nonprofit corporation has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State

occurs in each year [-] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

- (a) The name of the foreign nonprofit corporation;
- (b) The file number of the foreign nonprofit corporation, if known;
- (c) The names and titles of the president, the secretary and the treasurer, or the equivalent thereof, and all the directors of the foreign nonprofit corporation;
- (d) The address, either residence or business, of the president, secretary and treasurer, or the equivalent thereof, and each director of the foreign nonprofit corporation; *and* 
  - (e) The information required pursuant to NRS 77.310; and
- (f) The signature of an officer of the foreign nonprofit corporation, or some other person specifically authorized by the foreign nonprofit corporation to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that: [the foreign nonprofit corporation:]
- (a) [Has] The foreign nonprofit corporation has complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The foreign nonprofit corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State [-]; and
- (c) None of the officers or directors identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign nonprofit corporation, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.
- 3. Upon filing the initial list and each annual list pursuant to this section, the foreign nonprofit corporation must pay to the Secretary of State a fee of \$25.
- 4. The Secretary of State shall, 60 days before the last day for filing each annual list, provide to each foreign nonprofit corporation which is required to comply with the provisions of NRS 82.523 to 82.5239, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign nonprofit corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 82.523 to 82.5239, inclusive.
- 5. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

- 6. An annual list for a foreign nonprofit corporation not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 7. A person who files with the Secretary of State a list frequired byf pursuant to this section which identifies an officer or director for the purpose of disguising the person or persons who have actual control over the daily operations of the foreign nonprofit corporation, for the purpose of evading the creditors of any person or for any illegal purposef with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 8. For the purposes of this section, a member of a foreign nonprofit corporation is not deemed to exercise actual control of the daily operations of the foreign nonprofit corporation based solely on the fact that the member has voting control of the foreign nonprofit corporation.
- 9. The Secretary of State may allow a foreign nonprofit corporation to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.
  - Sec. 25. NRS 82.5234 is hereby amended to read as follows:
- 82.5234 1. Every foreign nonprofit corporation which is doing business in this State and which willfully fails or neglects to qualify to do business in this State in accordance with the laws of this State is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Except as otherwise provided in subsection 3, every foreign nonprofit corporation which is doing business in this State and which fails or neglects to qualify to do business in this State in accordance with the laws of this State may not commence or maintain any action or proceeding in any court of this State until it has qualified to do business in this State.
- 3. An action or proceeding may be commenced by such a corporation if an extraordinary remedy available pursuant to chapter 31 of NRS is all or part of the relief sought. Such an action or proceeding must be dismissed without prejudice if the corporation does not qualify to do business in this State within 45 days after the action or proceeding is commenced.
- 4. When the Secretary of State is advised that a foreign nonprofit corporation is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, <code>[instruet]</code> refer the matter to the district attorney of the county where the foreign nonprofit corporation has its principal place of business or the Attorney General, or both, <code>for a determination of whether</code> to institute proceedings to recover the fine. The district attorney of the county where the foreign nonprofit corporation has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district

attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a foreign nonprofit corporation to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. The failure of a foreign nonprofit corporation to qualify to do business in this State in accordance with the laws of this State does not impair the validity of any contract or act of the corporation, or prevent the corporation from defending any action, suit or proceeding in any court of this State.
- [6.] 7. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 26. NRS 82.5237 is hereby amended to read as follows:
- 82.5237 1. Except as otherwise provided in subsections 3 and 4 and NRS 82.183, the Secretary of State shall reinstate a foreign nonprofit corporation which has forfeited or which forfeits its right to transact business pursuant to the provisions of NRS 82.523 to 82.5239, inclusive, and restore to the foreign nonprofit corporation its right to transact business in this State, and to exercise its corporate privileges and immunities, if it:
  - (a) Files with the Secretary of State [a]:
    - (1) A list as provided in NRS 82.523; and
- (2) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the foreign nonprofit corporation or, if the foreign nonprofit corporation does not have a board of directors, the equivalent of such a board; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 82.523 and 82.5235 for each year or portion thereof that its right to transact business was forfeited; and
  - (2) A fee of \$100 for reinstatement.
- 2. When the Secretary of State reinstates the foreign nonprofit corporation, the Secretary of State shall issue to the foreign nonprofit corporation a certificate of reinstatement if the foreign nonprofit corporation:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the fees as provided in subsection 7 of NRS 78.785.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a foreign nonprofit corporation to transact business in this State has been forfeited pursuant to the provisions of this chapter and has

remained forfeited for a period of 5 consecutive years, the right to transact business must not be reinstated.

- 5. Except as otherwise provided in NRS 82.5239, a reinstatement pursuant to this section relates back to the date on which the foreign nonprofit corporation forfeited its right to transact business under the provisions of this chapter and reinstates the foreign nonprofit corporation's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 27. NRS 82.534 is hereby amended to read as follows:
- 82.534 1. A corporation may correct a record filed in the Office of the Secretary of State with respect to the corporation if the record contains an inaccurate description of a corporate action or if the record was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the corporation must:
  - (a) Prepare a certificate of correction which:
    - (1) States the name of the corporation;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by an officer of the corporation or, if the certificate is filed before the first meeting of the board of directors, by an incorporator or director  $[\cdot]$ , or by some other person specifically authorized by the corporation to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$25 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a corporation has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the corporation may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 28. NRS 82.546 is hereby amended to read as follows:
- 82.546 1. Except as otherwise provided in NRS 82.183, any corporation which did exist or is existing pursuant to the laws of this State may, upon complying with the provisions of NRS 78.150 and 82.193, procure a renewal or revival of its charter for any period, together with all the rights, franchises, privileges and immunities, and subject to all its existing and preexisting debts, duties and liabilities secured or imposed by its original charter and amendments thereto, or its existing charter, by filing:
  - (a) A certificate with the Secretary of State, which must set forth:

- (1) The name of the corporation, which must be the name of the corporation at the time of the renewal or revival, or its name at the time its original charter expired.
  - (2) The information required pursuant to NRS 77.310.
- (3) The date when the renewal or revival of the charter is to commence or be effective, which may be, in cases of a revival, before the date of the certificate.
- (4) Whether or not the renewal or revival is to be perpetual, and, if not perpetual, the time for which the renewal or revival is to continue.
- (5) That the corporation desiring to renew or revive its charter is, or has been, organized and carrying on the business authorized by its existing or original charter and amendments thereto, and desires to renew or continue through revival its existence pursuant to and subject to the provisions of this chapter.
- (b) A list of its president, secretary and treasurer and all of its directors and their mailing or street addresses, either residence or business.
- (c) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the renewal or revival is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the corporation or, if the corporation does not have a board of directors, the equivalent of such a board.
- 2. A corporation whose charter has not expired and is being renewed shall cause the certificate to be signed by an officer of the corporation. The certificate must be approved by a majority of the last-appointed surviving directors.
- 3. A corporation seeking to revive its original or amended charter shall cause the certificate to be signed by its president or vice president and secretary or assistant secretary. The signing and filing of the certificate must be approved unanimously by the last-appointed surviving directors of the corporation and must contain a recital that unanimous consent was secured. The corporation shall pay to the Secretary of State the fee required to establish a new corporation pursuant to the provisions of this chapter.
- 4. The filed certificate, or a copy thereof which has been certified under the hand and seal of the Secretary of State, must be received in all courts and places as prima facie evidence of the facts therein stated and of the existence and incorporation of the corporation named therein.
- 5. Except as otherwise provided in NRS 78.185, a renewal or revival pursuant to this section relates back to the date on which the corporation's charter expired or was revoked and renews or revives the corporation's charter and right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 29. NRS 84.009 is hereby amended to read as follows:
- 84.009 1. A corporation sole may correct a record filed with the Office of the Secretary of State with respect to the corporation sole if the record

contains an inaccurate description of an action of the corporation sole or if the record was defectively signed, attested, sealed, verified or acknowledged.

- 2. To correct a record, the corporation sole must:
- (a) Prepare a certificate of correction which:
  - (1) States the name of the corporation sole;
  - (2) Describes the record, including, without limitation, its filing date;
  - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by an archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder, district superintendent or other presiding officer or member of the clergy of a church, religious society or denomination, who has been chosen, elected or appointed in conformity with the constitution, canons, rites, regulations or discipline of the church, religious society or denomination, and in whom is vested the legal title to the property held for the purpose, use or benefit of the church or religious society or denomination [.] or by some other person specifically authorized by the corporation sole to sign the certificate of correction.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$25 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a corporation sole has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the corporation sole may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 29.5. NRS 84.120 is hereby amended to read as follows:
- 84.120 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, the corporation sole, before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. A corporation sole that fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 84.130 and 84.140.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 30. NRS 84.150 is hereby amended to read as follows:
- 84.150 1. Except as otherwise provided in subsections 3 and 4, the Secretary of State shall reinstate any corporation sole which has forfeited its right to transact business under the provisions of this chapter and restore the

right to carry on business in this State and exercise its corporate privileges and immunities, if it:

- (a) Files with the Secretary of State [the]:
  - (1) The information required pursuant to NRS 77.310; and
- (2) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder, district superintendent, other presiding officer or member of the clergy of a church or religious society or denomination, who has been chosen, elected or appointed in conformity with the constitution, canons, rites, regulations or discipline of the church or religious society or denomination, and in whom is vested the legal title to property held for the purposes, use or benefit of the church or religious society or denomination; and
  - (b) Pays to the Secretary of State:
- (1) The filing fees and penalties set forth in this chapter for each year or portion thereof during which its charter has been revoked; and
  - (2) A fee of \$25 for reinstatement.
- 2. When the Secretary of State reinstates the corporation to its former rights, the Secretary of State shall:
- (a) Immediately issue and deliver to the corporation a certificate of reinstatement authorizing it to transact business, as if the fees had been paid when due; and
- (b) Upon demand, issue to the corporation a certified copy of the certificate of reinstatement.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of its charter occurred only by reason of its failure to pay the fees and penalties.
- 4. If a corporate charter has been revoked pursuant to the provisions of this chapter and has remained revoked for 10 consecutive years, the charter must not be reinstated.
- 5. A reinstatement pursuant to this section relates back to the date on which the corporation forfeited its right to transact business under the provisions of this chapter and reinstates the corporation's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 31. NRS 86.141 is hereby amended to read as follows:
- 86.141 1. Except as otherwise provided in subsection 2, a limited-liability company may be organized under this chapter for any lawful purpose. A person shall not organize a limited-liability company for any fillieitf illegal purpose or with the fraudulent intent to feausef conceal any business activity, or lack thereof, from another person or a governmental agency. Ito believe that any person has conducted business activity through the limited-liability company during a period in which no such business activity occurred.

- 2. A limited-liability company may not be organized for the purpose of insurance unless approved to do so by the Commissioner of Insurance.
  - Sec. 32. NRS 86.213 is hereby amended to read as follows:
- 86.213 1. Every person, other than a foreign limited-liability company, who is purporting to do business in this State as a limited-liability company and who willfully fails or neglects to file with the Secretary of State articles of organization is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 32.5. NRS 86.251 is hereby amended to read as follows:
- 86.251 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, the limited-liability company, before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. Each limited-liability company which fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 86.272 and 86.274.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 33. NRS 86.263 is hereby amended to read as follows:
- 86.263 1. A limited-liability company shall, on or before the last day of the first month after the filing of its articles of organization with the Secretary of State [1-3] or, if the limited-liability company has selected an alternative due date pursuant to subsection 11, on or before that alternative due date, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
  - (a) The name of the limited-liability company;

- (b) The file number of the limited-liability company, if known;
- (c) The names and titles of all of its managers or, if there is no manager, all of its managing members;
- (d) The address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member; *and* 
  - (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of a manager or managing member of the limited-liability company, or some other person specifically authorized by the limited-liability company to sign the list, certifying that the list is true, complete and accurate.
- 2. The limited-liability company shall thereafter, on or before the last day of the month in which the anniversary date of its organization occurs to, if, pursuant to subsection 11, the limited-liability company has selected an alternative due date for filing the list required by subsection 1, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, an annual list containing all of the information required in subsection 1.
- 3. Each list required by subsections 1 and 2 must be accompanied by a declaration under penalty of perjury that : [the limited-liability company:]
- (a) [Has] The limited-liability company has complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The limited-liability company acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (c) None of the managers or managing members identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the limited-liability company, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.
  - 4. Upon filing:
- (a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 2, the limited-liability company shall pay to the Secretary of State a fee of \$125.
- 5. If a manager or managing member of a limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the limited-liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of \$75 to file the resignation.

- 6. The Secretary of State shall, 90 days before the last day for filing each list required by subsection 2, provide to each limited-liability company which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file the list required by subsection 2. Failure of any company to receive a notice does not excuse it from the penalty imposed by law.
- 7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.
- 8. An annual list for a limited-liability company not in default received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.
- 9. A person who files with the Secretary of State a list required by subsection 1 or 2 which identifies a manager or managing member for the purpose of disguising the person or persons who have actual control over the daily operations of the limited liability company, for the purpose of evading the creditors of any person or for any illegal purposel with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 10. For the purposes of this section, a member is not deemed to exercise actual control of the daily operations of a limited-liability company based solely on the fact that the member has voting control of the limited-liability company.
- 11. The Secretary of State may allow a limited-liability company to select an alternative due date for filing the list required by subsection 1.
- 12. The Secretary of State may adopt regulations to administer the provisions of subsection 11.
  - Sec. 34. NRS 86.276 is hereby amended to read as follows:
- 86.276 1. Except as otherwise provided in subsections 3 and 4 and NRS 86.246, the Secretary of State shall reinstate any limited-liability company which has forfeited or which forfeits its right to transact business pursuant to the provisions of this chapter and shall restore to the company its right to carry on business in this State, and to exercise its privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 86.263;
    - (2) The statement required by NRS 86.264, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected manager or managers of the limited-liability company or, if there are no managers, its managing members; and
  - (b) Pays to the Secretary of State:

- (1) The filing fee and penalty set forth in NRS 86.263 and 86.272 for each year or portion thereof during which it failed to file in a timely manner each required annual list;
  - (2) The fee set forth in NRS 86.264, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the limited-liability company, the Secretary of State shall issue to the company a certificate of reinstatement if the limited-liability company:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 86.561.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the charter occurred only by reason of failure to pay the fees and penalties.
- 4. If a company's charter has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 consecutive years, the charter must not be reinstated.
- 5. Except as otherwise provided in NRS 86.278, a reinstatement pursuant to this section relates back to the date on which the company forfeited its right to transact business under the provisions of this chapter and reinstates the company's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 35. NRS 86.544 is hereby amended to read as follows:
- 86.544 1. Before transacting business in this State, a foreign limited-liability company must register with the Secretary of State. A <u>person shall not register a foreign limited-liability company fmay not register</u> with the Secretary of State <u>fif the foreign limited-liability company was formed</u> for any <u>fillieit</u> <u>illegal purpose or with the fraudulent intent to feause</u> conceal any business activity, or lack thereof, from another person or a governmental agency. <u>fto believe that any person has conducted business activity through the foreign limited-liability company during a period in which no such business activity occurred.]</u>
- 2. In order to register, a foreign limited-liability company must submit to the Secretary of State an application for registration as a foreign limited-liability company, signed by a manager of the company or, if management is not vested in a manager, a member of the company [...], or by some other person specifically authorized by the foreign limited-liability company to sign the application. The application for registration must set forth:
- [1.] (a) The name of the foreign limited-liability company and, if different, the name under which it proposes to register and transact business in this State;
  - [2.] (b) The [state] jurisdiction and date of its formation;
- [3.] (c) A declaration of the existence of the foreign limited-liability company and that the foreign limited-liability company is in good standing in the jurisdiction in which it was formed;

- (d) The information required pursuant to NRS 77.310;
- [4.] (e) A statement that the Secretary of State is appointed the agent of the foreign limited-liability company for service of process if the authority of the registered agent has been revoked, or if the registered agent has resigned or cannot be found or served with the exercise of reasonable diligence;
- [5.] (f) The address of the office required to be maintained in the state of its organization by the laws of that state or, if not so required, of the principal office of the foreign limited-liability company;
- [6.] (g) The name and business address of each manager or, if management is not vested in a manager, each member;
- [7.] (h) The address of the office at which is kept a list of the names and addresses of the members and their capital contributions, together with an undertaking by the foreign limited-liability company to keep those records until the registration in this State of the foreign limited-liability company is cancelled or withdrawn; and
- [8.] (i) If the foreign limited-liability company has one or more series of members and if the debts or liabilities of a series are enforceable against the assets of that series only and not against the assets of the company generally or another series, a statement to that effect.
  - Sec. 36. NRS 86.5461 is hereby amended to read as follows:
- 86.5461 1. Each foreign limited-liability company doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited-liability company with the Secretary of State [-] or, if the foreign limited-liability company has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year [-] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list on a form furnished by the Secretary of State that contains:
  - (a) The name of the foreign limited-liability company;
  - (b) The file number of the foreign limited-liability company, if known;
- (c) The names and titles of all its managers or, if there is no manager, all its managing members;
- (d) The address, either residence or business, of each manager or managing member listed pursuant to paragraph (c); and
  - (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of a manager or managing member of the foreign limited-liability company, or some other person specifically authorized by the foreign limited-liability company to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that : [the foreign limited liability empany:]

- (a) [Has] The foreign limited-liability company has complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The foreign limited-liability company acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State [.]; and
- (c) None of the managers or managing members identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign limited-liability company, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.
  - 3. Upon filing:
- (a) The initial list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of \$125.
- 4. If a manager or managing member of a foreign limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the foreign limited liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by this section, provide to each foreign limited-liability company which is required to comply with the provisions of NRS 86.5461 to 86.5468, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited-liability company to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 86.5461 to 86.5468, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign limited-liability company not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of this section for the year to which the due date is applicable.
- 8. A person who files with the Secretary of State a list required by this section which identifies a manager or managing member for the purpose of disguising the person or persons who have actual control over the daily operations of the foreign limited liability company, for the purpose of evading the creditors of any person or for any illegal purposed with the fraudulent intent of concealing the identity of any person or persons

<u>exercising the power or authority of a manager or managing members in furtherance of any unlawful conduct</u> is subject to the penalty set forth in NRS 225.084.

- 9. For the purposes of this section, a member is not deemed to exercise actual control of the daily operations of a foreign limited-liability company based solely on the fact that the member has voting control of the foreign limited-liability company.
- 10. The Secretary of State may allow a foreign limited-liability company to select an alternative due date for filing the initial list required by this section.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.
  - Sec. 37. NRS 86.5467 is hereby amended to read as follows:
- 86.5467 1. Except as otherwise provided in subsections 3 and 4 and NRS 86.54615, the Secretary of State shall reinstate a foreign limited-liability company which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign limited-liability company its right to transact business in this State, and to exercise its privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 86.5461;
    - (2) The statement required by NRS 86.5462, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected manager or managers of the foreign limited-liability company or, if there are no managers, its managing members; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 86.5461 and 86.5465 for each year or portion thereof that its right to transact business was forfeited;
  - (2) The fee set forth in NRS 86.5462, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the foreign limited-liability company, the Secretary of State shall issue to the foreign limited-liability company a certificate of reinstatement if the foreign limited-liability company:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 86.561.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a foreign limited-liability company to transact business in this State has been forfeited pursuant to the provisions of this chapter and

has remained forfeited for a period of 5 consecutive years, the right must not be reinstated.

- 5. Except as otherwise provided in NRS 86.5468, a reinstatement pursuant to this section relates back to the date on which the foreign limited liability company forfeited its right to transact business under the provisions of this chapter and reinstates the foreign limited-liability company's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 38. NRS 86.548 is hereby amended to read as follows:
- 86.548 1. Every foreign limited-liability company transacting business in this State which willfully fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 86.544 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every foreign limited-liability company transacting business in this State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 86.544 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State.
- 3. The failure of a foreign limited-liability company to register with the Secretary of State does not impair the validity of any contract or act of the foreign limited-liability company, or prevent the foreign limited-liability company from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a foreign limited-liability company is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, <code>[instruct]</code> refer the matter to the district attorney of the county where the foreign limited-liability company has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county where the foreign limited-liability company has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a foreign limited-liability company to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. A foreign limited-liability company, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action

arising out of the transaction of business in this State by the foreign limited liability company.

- [6.] 7. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 39. NRS 86.568 is hereby amended to read as follows:
- 86.568 1. A limited-liability company may correct a record filed in the Office of the Secretary of State with respect to the limited-liability company if the record contains an inaccurate description of a company action or was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the limited-liability company must:
  - (a) Prepare a certificate of correction that:
    - (1) States the name of the limited-liability company;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by a manager of the company or, if management is not vested in a manager, by a member of the company  $[\cdot]$ , or by some other person specifically authorized by the company to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a limited-liability company has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the limited-liability company may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 40. NRS 86.580 is hereby amended to read as follows:
- 86.580 1. Except as otherwise provided in NRS 86.246, a limited liability company which did exist or is existing pursuant to the laws of this State may, upon complying with the provisions of NRS 86.276, procure a renewal or revival of its charter for any period, together with all the rights, franchises, privileges and immunities, and subject to all its existing and preexisting debts, duties and liabilities secured or imposed by its original charter and amendments thereto, or existing charter, by filing:
  - (a) A certificate with the Secretary of State, which must set forth:
- (1) The name of the limited-liability company, which must be the name of the limited-liability company at the time of the renewal or revival, or its name at the time its original charter expired.
  - (2) The information required pursuant to NRS 77.310.

- (3) The date when the renewal or revival of the charter is to commence or be effective, which may be, in cases of a revival, before the date of the certificate.
- (4) Whether or not the renewal or revival is to be perpetual, and, if not perpetual, the time for which the renewal or revival is to continue.
- (5) That the limited-liability company desiring to renew or revive its charter is, or has been, organized and carrying on the business authorized by its existing or original charter and amendments thereto, and desires to renew or continue through revival its existence pursuant to and subject to the provisions of this chapter.
- (b) A list of its managers or, if there are no managers, all its managing members and their mailing or street addresses, either residence or business.
- (c) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the renewal or revival is authorized by a court of competent jurisdiction in this State or by the duly selected manager or managers of the limited-liability company or, if there are no managers, its managing members. f; and
- 2. A limited-liability company whose charter has not expired and is being renewed shall cause the certificate to be signed by its manager or, if there is no manager, by a person designated by its members. The certificate must be approved by a majority in interest.
- 3. A limited-liability company seeking to revive its original or amended charter shall cause the certificate to be signed by a person or persons designated or appointed by the members. The signing and filing of the certificate must be approved by the written consent of a majority in interest and must contain a recital that this consent was secured. The limited-liability company shall pay to the Secretary of State the fee required to establish a new limited-liability company pursuant to the provisions of this chapter.
- 4. The filed certificate, or a copy thereof which has been certified under the hand and seal of the Secretary of State, must be received in all courts and places as prima facie evidence of the facts therein stated and of the existence of the limited-liability company therein named.
- 5. Except as otherwise provided in NRS 86.278, a renewal or revival pursuant to this section relates back to the date on which the limited-liability company's charter expired or was revoked and renews or revives the limited liability company's charter and right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 41. NRS 87.440 is hereby amended to read as follows:
- 87.440 1. To become a registered limited-liability partnership, a partnership shall file with the Secretary of State a certificate of registration stating each of the following:
  - (a) The name of the partnership.
  - (b) The street address of its principal office.
  - (c) The information required pursuant to NRS 77.310.
  - (d) The name and business address of each managing partner in this State.

- (e) That the partnership thereafter will be a registered limited-liability partnership.
  - (f) Any other information that the partnership wishes to include.
- 2. The certificate of registration must be signed by a majority in interest of the partners or by one or more partners authorized to sign such a certificate.
  - 3. The certificate of registration must be accompanied by a fee of \$75.
- 4. The Secretary of State shall register as a registered limited-liability partnership any partnership that submits a completed certificate of registration with the required fee. A [partnership] person\_shall not register [as] a registered limited-liability partnership for any fillieit] illegal purpose or with the fraudulent intent to feause] conceal any business activity, or lack thereof, from another person or a governmental agency. Ito believe that any person has conducted business activity through the registered limited liability partnership during a period in which no such business activity occurred.]
- 5. The registration of a registered limited-liability partnership is effective at the time of the filing of the certificate of registration.
  - Sec. 42. NRS 87.445 is hereby amended to read as follows:
- 87.445 1. Every person, other than a foreign registered limited-liability partnership, who is purporting to do business in this State as a registered limited-liability partnership and who willfully fails or neglects to file with the Secretary of State a certificate of registration is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a registered limited-liability partnership to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 42.5. NRS 87.500 is hereby amended to read as follows:

- 87.500 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, the registered limited liability partnership shall, before the effective date of the resignation or termination, file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. If a registered limited-liability partnership fails to comply with subsection 1, it is in default and is subject to the provisions of NRS 87.520.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 43. NRS 87.510 is hereby amended to read as follows:
- 87.510 1. A registered limited-liability partnership shall, on or before the last day of the first month after the filing of its certificate of registration with the Secretary of State or, if the registered limited-liability partnership has selected an alternative due date pursuant to subsection 8, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of registration with the Secretary of State occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
  - (a) The name of the registered limited-liability partnership;
- (b) The file number of the registered limited-liability partnership, if known;
  - (c) The names of all of its managing partners;
- (d) The address, either residence or business, of each managing partner; and
  - (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of a managing partner of the registered limited-liability partnership, or some other person specifically authorized by the registered limited-liability partnership to sign the list, certifying that the list is true, complete and accurate.
- ➡ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the registered limited-liability partnership has complied with the provisions of chapter 76 of NRS [and which], that the registered limited-liability partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.] and that none of the managing partners identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the registered limited-liability partnership, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons

exercising the power or authority of a managing partner in furtherance of any unlawful conduct.

- 2. Upon filing:
- (a) The initial list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, the registered limited liability partnership shall pay to the Secretary of State a fee of \$125.
- 3. If a managing partner of a registered limited-liability partnership resigns and the resignation is not reflected on the annual or amended list of managing partners, the registered limited-liability partnership or the resigning managing partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 4. The Secretary of State shall, at least 90 days before the last day for filing each annual list required by subsection 1, provide to the registered limited-liability partnership a notice of the fee due pursuant to subsection 2 and a reminder to file the annual list required by subsection 1. The failure of any registered limited-liability partnership to receive a notice does not excuse it from complying with the provisions of this section.
- 5. If the list to be filed pursuant to the provisions of subsection 1 is defective, or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.
- 6. An annual list that is filed by a registered limited-liability partnership which is not in default more than 90 days before it is due shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 7. A person who files with the Secretary of State an initial list or annual list fpursuant tof required by subsection 1 which identifies a managing partner ffor the purpose of disguising the person or persons who have actual control over the daily operations of the registered limited-liability partnership, for the purpose of evading the creditors of any person or for any illegal purposef with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 8. The Secretary of State may allow a registered limited-liability partnership to select an alternative due date for filing the initial list required by subsection 1.
- 9. The Secretary of State may adopt regulations to administer the provisions of subsection 8.
  - Sec. 44. NRS 87.530 is hereby amended to read as follows:
- 87.530 1. Except as otherwise provided in subsection 3 and NRS 87.515, the Secretary of State shall reinstate the certificate of registration of a registered limited-liability partnership that is revoked pursuant to NRS 87.520 if the registered limited-liability partnership:
  - (a) Files with the Secretary of State:

- (1) The information required by NRS 87.510; [and]
- (2) The information required pursuant to NRS 77.310; and
- (3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected managing partners of the registered limited-liability partnership.
  - (b) Pays to the Secretary of State:
    - (1) The fee required to be paid pursuant to NRS 87.510;
    - (2) Any penalty required to be paid pursuant to NRS 87.520; and
    - (3) A reinstatement fee of \$300.
- 2. When the Secretary of State reinstates the registered limited-liability partnership, the Secretary of State shall issue to the registered limited liability partnership a certificate of reinstatement if the registered limited-liability partnership:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 87.550.
- 3. The Secretary of State shall not reinstate the certificate of registration of a registered limited-liability partnership if the certificate was revoked pursuant to the provisions of this chapter at least 5 years before the date of the proposed reinstatement.
- 4. Except as otherwise provided in NRS 87.455, a reinstatement pursuant to this section relates back to the date on which the registered limited-liability partnership's certificate of registration was revoked and reinstates the registered limited-liability's certificate of registration as if such certificate had at all times remained in full force and effect.
  - Sec. 45. NRS 87.5405 is hereby amended to read as follows:
- 87.5405 1. Every foreign registered limited-liability partnership which is doing business in this State and which willfully fails or neglects to register with the Secretary of State pursuant to NRS 87.440 to 87.500, inclusive, and 87.541 to 87.544, inclusive, is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every foreign registered limited-liability partnership which is doing business in this State and which fails or neglects to register with the Secretary of State pursuant to NRS 87.440 to 87.500, inclusive, and 87.541 to 87.544, inclusive, may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State pursuant to NRS 87.440 to 87.500, inclusive, and 87.541 to 87.544, inclusive.
- 3. The failure of a foreign registered limited-liability partnership to register in this State does not impair the validity of any contract or act of the foreign registered limited-liability partnership, or prevent the foreign registered limited-liability partnership from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a foreign registered limited-liability partnership is subject to the fine described in subsection 1,

the Secretary of State may, as soon as practicable, [instruet] refer the matter to the district attorney of the county in which the foreign registered limited-liability partnership's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the foreign registered limited-liability partnership's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a foreign registered limited-liability partnership to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. A foreign registered limited-liability partnership, by transacting business in this State without registration, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State by the foreign registered limited liability partnership.
- [6.] 7. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 46. NRS 87.541 is hereby amended to read as follows:
- 87.541 1. Each foreign registered limited-liability partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign registered limited liability partnership with the Secretary of State [13] or, if the foreign registered limited-liability partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year [13] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
  - (a) The name of the foreign registered limited-liability partnership;
- (b) The file number of the foreign registered limited-liability partnership, if known;
  - (c) The names of all its managing partners;
- (d) The address, either residence or business, of each managing partner; and
  - (e) [The information required pursuant to NRS 77.310; and
- (f) The signature of a managing partner of the foreign registered limited liability partnership, or some other person specifically authorized by

the foreign registered limited-liability partnership to sign the list, certifying that the list is true, complete and accurate.

- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that : [the foreign registered limited liability partnership:]
- (a) [Has] *The foreign registered limited-liability partnership has* complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The foreign registered limited-liability partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (c) None of the managing partners identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign registered limited-liability partnership, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct.
  - 3. Upon filing:
- (a) The initial list required by this section, the foreign registered limited liability partnership shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the foreign registered limited liability partnership shall pay to the Secretary of State a fee of \$125.
- 4. If a managing partner of a foreign registered limited-liability partnership resigns and the resignation is not reflected on the annual or amended list of managing partners, the foreign registered limited-liability partnership or the managing partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign registered limited-liability partnership which is required to comply with the provisions of NRS 87.541 to 87.544, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign registered limited liability partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 87.541 to 87.544, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign registered limited-liability partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

- 8. A person who files with the Secretary of State an initial list or annual list fpursuant tof required by subsection 1 which identifies a managing partner ffor the purpose of disguising the person or persons who have actual control over the daily operations of the foreign registered limited liability partnership, for the purpose of evading the creditors of any person or for any illegal purposef with the fraudulent intent of concealing the identity of any person or persons exercising the power and authority of a managing partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. The Secretary of State may allow a foreign registered limited-liability partnership to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.
  - Sec. 47. NRS 87.5435 is hereby amended to read as follows:
- 87.5435 1. Except as otherwise provided in subsections 3 and 4 and NRS 87.5413, the Secretary of State shall reinstate a foreign registered limited-liability partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign registered limited-liability partnership its right to transact business in this State, and to exercise its privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 87.541; [and]
    - (2) The information required pursuant to NRS 77.310; and
- (3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected managing partners of the foreign registered limited-liability partnership; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 87.541 and 87.5425 for each year or portion thereof that its right to transact business was forfeited; and
  - (2) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the foreign registered limited-liability partnership, the Secretary of State shall issue to the foreign registered limited-liability partnership a certificate of reinstatement if the foreign registered limited-liability partnership:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 87.550.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a foreign registered limited-liability partnership to transact business in this State has been forfeited pursuant to the provisions of

this chapter and has remained forfeited for a period of 5 consecutive years, the right to transact business must not be reinstated.

- 5. Except as otherwise provided in NRS 87.544, a reinstatement pursuant to this section relates back to the date on which the foreign registered limited-liability partnership forfeited its right to transact business under the provisions of this chapter and reinstates the foreign registered limited liability partnership's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 48. NRS 87.547 is hereby amended to read as follows:
- 87.547 1. A registered limited-liability partnership may correct a record filed in the Office of the Secretary of State with respect to the registered limited-liability partnership if the record contains an inaccurate description of a partnership action or if the record was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the registered limited-liability partnership must:
  - (a) Prepare a certificate of correction that:
    - (1) States the name of the registered limited-liability partnership;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by a managing partner of the registered limited-liability partnership [.] or by some other person specifically authorized by the registered limited-liability partnership to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a registered limited-liability partnership has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the registered limited-liability partnership may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 49. NRS 87A.155 is hereby amended to read as follows:
- 87A.155 1. A limited partnership is an entity distinct from its partners. A limited partnership is the same entity regardless of whether the limited partnership has registered as a registered limited-liability limited partnership.
- 2. A limited partnership may be organized under this chapter for any lawful purpose. A person shall not organize a limited partnership for any fillieit] illegal purpose or with the fraudulent intent to feause] conceal any business activity, or lack thereof, from another person or a governmental agency. Ito believe that any person has conducted business activity through

the limited partnership during a period in which no such business activity occurred.

- 3. A limited partnership has a perpetual duration.
- Sec. 49.5. NRS 87A.225 is hereby amended to read as follows:
- 87A.225 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, the limited partnership, before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. Each limited partnership which fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 87A.300 and 87A.305.
- 3. As used in this section "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 50. NRS 87A.237 is hereby amended to read as follows:
- 87A.237 1. Every person, other than a foreign limited partnership, who is purporting to do business in this State as a limited partnership and who willfully fails or neglects to file with the Secretary of State a certificate of limited partnership is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person, other than a foreign limited partnership, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a limited partnership to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 51. NRS 87A.275 is hereby amended to read as follows:
- 87A.275 1. A limited partnership or foreign limited partnership may correct a record filed in the Office of the Secretary of State with respect to the limited partnership or foreign limited partnership if the record contains

false or erroneous information or if the record was defectively signed, attested, sealed, verified or acknowledged.

- 2. To correct a record, the limited partnership or foreign limited partnership must:
  - (a) Prepare a certificate of correction that:
- (1) States the name of the limited partnership or foreign limited partnership;
  - (2) Describes the record, including, without limitation, its filing date;
  - (3) Specifies the false or erroneous information or the defect;
- (4) Sets forth the false or erroneous information or the defective portion of the record in an accurate or corrected form; and
- (5) Is signed by a general partner of the limited partnership or foreign limited partnership  $\frac{1}{1-1}$  or by some other person specifically authorized by the limited partnership or foreign limited partnership to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction must not state a delayed effective date and is effective on the effective date of the record it corrects, except that the certificate is effective when filed:
  - (a) For the purposes of subsections 3 and 4 of NRS 87A.150; and
- (b) As to persons relying on the uncorrected record and adversely affected by the correction.
- 4. If a limited partnership or foreign limited partnership has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the limited partnership or foreign limited partnership may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 52. NRS 87A.290 is hereby amended to read as follows:
- 87A.290 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State or, if the limited partnership has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
  - (a) The name of the limited partnership;
  - (b) The file number of the limited partnership, if known;
  - (c) The names of all of its general partners;
  - (d) The address, either residence or business, of each general partner; and
  - (e) [The information required pursuant to NRS 77.310; and

- (f)] The signature of a general partner of the limited partnership, or some other person specifically authorized by the limited partnership to sign the list, certifying that the list is true, complete and accurate.
- ⇒ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of chapter 76 of NRS [and which], that the limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.], and that none of the general partners identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the limited partnership, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
- 2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$125.
  - 3. A registered limited-liability limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$125.
- 4. If a general partner of a limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list required pursuant to subsection 1. Failure of any limited partnership to receive a notice does not excuse it from the penalty imposed by NRS 87A.300.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

- 8. A filing made pursuant to this section does not satisfy the provisions of NRS 87A.240 and may not be substituted for filings submitted pursuant to NRS 87A.240.
- 9. A person who files with the Secretary of State a list required by subsection 1 for 21 which identifies a general partner for the purpose of disguising the person or persons who have actual control over the daily operations of the limited partnership, for the purpose of evading the ereditors of any person or for any illegal purpose] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 10. The Secretary of State may allow a limited partnership to select an alternative due date for filing the initial list required by subsection 1.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.
  - Sec. 53. NRS 87A.310 is hereby amended to read as follows:
- 87A.310 1. Except as otherwise provided in subsections 3 and 4 and NRS 87A.200, the Secretary of State shall reinstate any limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and restore to the limited partnership its right to carry on business in this State, and to exercise its privileges and immunities if it:
  - (a) Files with the Secretary of State:
    - (1) The list required pursuant to NRS 87A.290;
    - (2) The statement required by NRS 87A.295, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the limited partnership; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 87A.290 and 87A.300 for each year or portion thereof during which the certificate has been revoked;
  - (2) The fee set forth in NRS 87A.295, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the limited partnership, the Secretary of State shall issue to the limited partnership a certificate of reinstatement if the limited partnership:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 87A.315.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation occurred only by reason of failure to pay the fees and penalties.

- 4. If a limited partnership's certificate has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 years, the certificate must not be reinstated.
- 5. If a limited partnership's certificate is reinstated pursuant to this section, the reinstatement relates back to and takes effect on the effective date of the revocation, and the limited partnership's status as a limited partnership continues as if the revocation had never occurred.
  - Sec. 54. NRS 87A.540 is hereby amended to read as follows:
- 87A.540 1. Before transacting business in this State, a foreign limited partnership shall register with the Secretary of State. A person shall not register a foreign limited partnership fragment for any filliest illegal purpose or with the fraudulent intent to feause conceal any business activity, or lack thereof, from another person or a governmental agency. fto believe that any person has conducted business activity through the foreign limited partnership during a period in which no such business activity occurred.
- 2. In order to register, a foreign limited partnership shall submit to the Secretary of State an application for registration as a foreign limited partnership, signed by a general partner. The application for registration must set forth:
- [1.] (a) The name of the foreign limited partnership and, if different, the name under which it proposes to register and transact business in this State;
- [2.] (b) The state or jurisdiction under whose law the foreign limited partnership is organized and the date of its organization;
  - [3.] (c) The information required pursuant to NRS 77.310;
- [4.] (d) A statement that the Secretary of State is appointed the agent of the foreign limited partnership for service of process if the registered agent's authority has been revoked or if the registered agent cannot be found or served with the exercise of reasonable diligence;
- [5.] (e) The address of the office required to be maintained in the state or jurisdiction of its organization by the laws of that state or jurisdiction or, if not so required, of the principal office of the foreign limited partnership;
  - [6.] (f) The name and business address of each general partner; and
- [7.] (g) The address of the office at which is kept a list of the names and addresses of the limited partners and their capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this State is cancelled or withdrawn.
  - Sec. 55. NRS 87A.560 is hereby amended to read as follows:
- 87A.560 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State  $\frac{1}{13}$  or, if the foreign limited partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and

annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year [17] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

- (a) The name of the foreign limited partnership;
- (b) The file number of the foreign limited partnership, if known;
- (c) The names of all its general partners;
- (d) The address, either residence or business, of each general partner; and
- (e) The information required pursuant to NRS 77.310; and
- (f)] The signature of a general partner of the foreign limited partnership, or some other person specifically authorized by the foreign limited partnership to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that : [the foreign limited partnership:]
- (a) [Has] The foreign limited partnership has complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The foreign limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (c) None of the general partners identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign limited partnership, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
  - 3. Upon filing:
- (a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.
- 4. If a general partner of a foreign limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the foreign limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation of the general partner.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign limited partnership, which is required to comply with the provisions of NRS 87A.560 to 87A.600, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited partnership

to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 87A.560 to 87A.600, inclusive.

- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A person who files with the Secretary of State a list required by this section which identifies a general partner for the purpose of disguising the person or persons who have actual control over the daily operations of the foreign limited partnership, for the purpose of evading the creditors of any person or for any illegal purposel with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. The Secretary of State may allow a foreign limited partnership to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.
  - Sec. 56. NRS 87A.595 is hereby amended to read as follows:
- 87A.595 1. Except as otherwise provided in subsections 3 and 4 and NRS 87A.580, the Secretary of State shall reinstate a foreign limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign limited partnership its right to transact business in this State, and to exercise its privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 87A.560;
    - (2) The statement required by NRS 87A.565, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the foreign limited partnership; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 87A.560 and 87A.585 for each year or portion thereof that its right to transact business was forfeited:
  - (2) The fee set forth in NRS 87A.565, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the foreign limited partnership, the Secretary of State shall issue to the foreign limited partnership a certificate of reinstatement if the foreign limited partnership:

- (a) Requests a certificate of reinstatement; and
- (b) Pays the required fees pursuant to NRS 87A.315.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a foreign limited partnership to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right is not subject to reinstatement.
- 5. [Except as otherwise provided in NRS 87A.600, a] A reinstatement pursuant to this section relates back to the date on which the foreign limited partnership forfeited its right to transact business under the provisions of this chapter and reinstates the foreign limited partnership's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 57. NRS 87A.610 is hereby amended to read as follows:
- 87A.610 1. Every foreign limited partnership transacting business in this State which willfully fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every foreign limited partnership transacting business in this State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State.
- 3. The failure of a foreign limited partnership to register with the Secretary of State does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a foreign limited partnership is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county where the foreign limited partnership has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover any applicable fine provided for in this section. The district attorney of the county where the foreign limited partnership has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover a fine pursuant to this section, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a foreign limited partnership to answer any

interrogatory submitted by the Secretary of State that will assist in the investigation.

- 6. A limited partner of a foreign limited partnership is not liable as a general partner of the foreign limited partnership solely by reason of having transacted business in this State without registration.
- [6.] 7. A foreign limited partnership, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.
- [7.] 8. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 58. NRS 87A.630 is hereby amended to read as follows:
- 87A.630 1. To become a registered limited-liability limited partnership, a limited partnership shall file with the Secretary of State a certificate of registration stating each of the following:
  - (a) The name of the limited partnership.
  - (b) The street address of its principal office.
  - (c) The information required pursuant to NRS 77.310.
- (d) The name and business address of each organizer signing the certificate.
  - (e) The name and business address of each initial general partner.
- (f) That the limited partnership thereafter will be a registered limited liability limited partnership.
  - (g) Any other information that the limited partnership wishes to include.
- 2. The certificate of registration must be signed by the vote necessary to amend the partnership agreement or, in the case of a partnership agreement that expressly considers contribution obligations, the vote necessary to amend those provisions.
- 3. The Secretary of State shall register as a registered limited-liability limited partnership any limited partnership that submits a completed certificate of registration with the required fee. A [limited partnership] person\_shall not register [as] a registered limited-liability limited partnership for any [illiest] illegal purpose or with the fraudulent intent to [eause] conceal any business activity, or lack thereof, from another person or a governmental agency. [to believe that any person has conducted business activity through the registered limited liability limited partnership during a period in which no such business activity occurred.]
- 4. [A partnership] Any person may register as a registered limited liability limited partnership at the time [it] the person files a certificate of limited partnership by filing a [combined] certificate of limited partnership and a certificate of registration of a limited-liability limited partnership with the Secretary of State and paying the fees prescribed in subsections 1 and 2 of NRS 87A.315.
- 5. The registration of a registered limited-liability limited partnership is effective at the time of the filing of the certificate of registration with the

Secretary of State or upon a later date and time as specified in the certificate of registration, which date must not be more than 90 days after the date on which the certificate of registration is filed. If the certificate of registration specifies a later effective date but does not specify an effective time, the certificate of registration is effective at 12:01 a.m. in the Pacific time zone on the specified later date.

- Sec. 59. NRS 87A.632 is hereby amended to read as follows:
- 87A.632 1. Every person, other than a limited-liability limited partnership formed pursuant to an agreement governed by the laws of another state, who is purporting to do business in this State as a registered limited liability limited partnership and who willfully fails or neglects to file with the Secretary of State a certificate of registration is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, <code>[instruet]</code> refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in this section, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 60. NRS 87A.652 is hereby amended to read as follows:
- 87A.652 1. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which willfully fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not

commence or maintain any action, suit or proceeding in any court of this State until it has registered in this State.

- 3. The failure of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state and purporting to do business in this State as a foreign registered limited-liability limited partnership, to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 does not impair the validity of any contract or act of the limited-liability limited partnership or prevent the limited-liability limited partnership from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county where the limited-liability limited partnership has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county where the limited-liability limited partnership has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. A limited partner of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is not liable as a general partner of the limited-liability limited partnership solely by reason of having transacted business in this State without registration.
- [6.] 7. A limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, by transacting business in this State without registering with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.
- [7.] 8. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 60.5. NRS 88.332 is hereby amended to read as follows:
- 88.332 1. If a registered agent resigns pursuant to NRS 77.370 or if a commercial registered agent terminates its [listing] <u>registration</u> as a commercial registered agent pursuant to NRS 77.330, the limited partnership,

before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.

- 2. Each limited partnership which fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 88.400 and 88.405.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 61. NRS 88.339 is hereby amended to read as follows:
- 88.339 1. A limited partnership may correct a record filed in the Office of the Secretary of State with respect to the limited partnership if the record contains an inaccurate description of a partnership action or if the record was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the limited partnership must:
  - (a) Prepare a certificate of correction that:
    - (1) States the name of the limited partnership;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by a general partner of the limited partnership  $[\cdot]$  or by some other person specifically authorized by the limited partnership to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, the certificate is effective when filed.
- 4. If a limited partnership has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the limited partnership may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
  - Sec. 62. NRS 88.342 is hereby amended to read as follows:
- 88.342 *I.* A limited partnership may carry on any business that a partnership without limited partners may carry on except banking or insurance.
- 2. A person shall not form a limited partnership for any filliest illegal purpose or with the fraudulent intent to feause conceal any business activity, or lack thereof, from another person or a governmental agency. It believe that any person has conducted business activity through the limited partnership during a period in which no such business activity occurred.
  - Sec. 63. NRS 88.352 is hereby amended to read as follows:

- 88.352 1. Every person, other than a foreign limited partnership, who is purporting to do business in this State as a limited partnership and who willfully fails or neglects to file with the Secretary of State a certificate of limited partnership is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person, other than a foreign limited partnership, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 64. NRS 88.395 is hereby amended to read as follows:
- 88.395 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State [-] or, if the limited partnership has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs [-] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
  - (a) The name of the limited partnership;
  - (b) The file number of the limited partnership, if known;
  - (c) The names of all of its general partners;
  - (d) The address, either residence or business, of each general partner; and
  - (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of a general partner of the limited partnership, or some other person specifically authorized by the limited partnership to sign the list, certifying that the list is true, complete and accurate.
- ⇒ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of chapter 76 of NRS [and which], that the limited

partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.], and that none of the general partners identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the limited partnership, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.

- 2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$125.
  - 3. A registered limited-liability limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$175.
- 4. If a general partner of a limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list required pursuant to subsection 1. Failure of any limited partnership to receive a notice does not excuse it from the penalty imposed by NRS 88.400.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A filing made pursuant to this section does not satisfy the provisions of NRS 88.355 and may not be substituted for filings submitted pursuant to NRS 88.355.
- 9. A person who files with the Secretary of State a list required by subsection I which identifies a general partner for the purpose of disguising the person or persons who have actual control over the daily operations of the limited partnership, for the purpose of evading the creditors of any

person or for any illegal purposel with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

- 10. The Secretary of State may allow a limited partnership to select an alternative due date for filing the initial list required by subsection 1.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.
  - Sec. 65. NRS 88.410 is hereby amended to read as follows:
- 88.410 1. Except as otherwise provided in subsections 3 and 4 and NRS 88.3355, the Secretary of State shall reinstate any limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and restore to the limited partnership its right to carry on business in this State, and to exercise its privileges and immunities if it:
  - (a) Files with the Secretary of State:
    - (1) The list required pursuant to NRS 88.395;
    - (2) The statement required by NRS 88.397, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the limited partnership; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 88.395 and 88.400 for each year or portion thereof during which the certificate has been revoked;
  - (2) The fee set forth in NRS 88.397, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the limited partnership, the Secretary of State shall issue to the limited partnership a certificate of reinstatement if the limited partnership:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 88.415.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation occurred only by reason of failure to pay the fees and penalties.
- 4. If a limited partnership's certificate has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 years, the certificate must not be reinstated.
- 5. Except as otherwise provided in NRS 88.327, a reinstatement pursuant to this section relates back to the date on which the limited partnership forfeited its right to transact business under the provisions of this chapter and reinstates the limited partnership's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 66. NRS 88.575 is hereby amended to read as follows:

- 88.575 1. Before transacting business in this State, a foreign limited partnership shall register with the Secretary of State. A person shall not register a foreign limited partnership fmay not register] with the Secretary of State fif the foreign limited partnership was formed for any fillieit illegal purpose or with the fraudulent intent to feause conceal any business activity, or lack thereof, from another person or a governmental agency. It believe that any person has conducted business activity through the foreign limited partnership during a period in which no such business activity occurred.
- 2. In order to register, a foreign limited partnership shall submit to the Secretary of State an application for registration as a foreign limited partnership, signed by a general partner. The application for registration must set forth:
- [1.] (a) The name of the foreign limited partnership and, if different, the name under which it proposes to register and transact business in this State;
- $\frac{2}{2}$  (b) The state or jurisdiction under whose law the foreign limited partnership is organized and the date of its organization;
  - [3.] (c) The information required pursuant to NRS 77.310;
- [4.] (d) A statement that the Secretary of State is appointed the agent of the foreign limited partnership for service of process if the registered agent's authority has been revoked or if the registered agent cannot be found or served with the exercise of reasonable diligence;
- [5.] (e) The address of the office required to be maintained in the state or jurisdiction of its organization by the laws of that state or jurisdiction or, if not so required, of the principal office of the foreign limited partnership;
  - [6.] (f) The name and business address of each general partner; and
- [7.] (g) The address of the office at which is kept a list of the names and addresses of the limited partners and their capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this State is cancelled or withdrawn.
  - Sec. 67. NRS 88.591 is hereby amended to read as follows:
- 88.591 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State [-] or, if the foreign limited partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year [-] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
  - (a) The name of the foreign limited partnership;
  - (b) The file number of the foreign limited partnership, if known;

- (c) The names of all its general partners;
- (d) The address, either residence or business, of each general partner; and
- (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of a general partner of the foreign limited partnership, or some other person specifically authorized by the foreign limited partnership to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that : [the foreign limited partnership:]
- (a) [Has] The foreign limited partnership has complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The foreign limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (c) None of the general partners identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign limited partnership, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
  - 3. Upon filing:
- (a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.
- 4. If a general partner of a foreign limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the foreign limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation of the general partner.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign limited partnership, which is required to comply with the provisions of NRS 88.591 to 88.5945, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 88.591 to 88.5945, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date shall

be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

- 8. A person who files with the Secretary of State a list required by this section which identifies a general partner for the purpose of disguising the person or persons who have actual control over the daily operations of the foreign limited partnership, for the purpose of evading the creditors of any person or for any illegal purposel with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. The Secretary of State may allow a foreign limited partnership to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.
  - Sec. 68. NRS 88.594 is hereby amended to read as follows:
- 88.594 1. Except as otherwise provided in subsections 3 and 4 and NRS 88.5927, the Secretary of State shall reinstate a foreign limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign limited partnership its right to transact business in this State, and to exercise its privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 88.591;
    - (2) The statement required by NRS 88.5915, if applicable; [and]
    - (3) The information required pursuant to NRS 77.310; and
- (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the foreign limited partnership; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 88.591 and 88.593 for each year or portion thereof that its right to transact business was forfeited;
  - (2) The fee set forth in NRS 88.5915, if applicable; and
  - (3) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the foreign limited partnership, the Secretary of State shall issue to the foreign limited partnership a certificate of reinstatement if the foreign limited partnership:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 88.415.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a foreign limited partnership to transact business in this State has been forfeited pursuant to the provisions of this chapter and has

remained forfeited for a period of 5 consecutive years, the right is not subject to reinstatement.

- 5. Except as otherwise provided in NRS 88.5945, a reinstatement pursuant to this section relates back to the date on which the foreign limited partnership forfeited its right to transact business under the provisions of this chapter and reinstates the foreign limited partnership's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 69. NRS 88.600 is hereby amended to read as follows:
- 88.600 1. Every foreign limited partnership transacting business in this State which willfully fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every foreign limited partnership transacting business in this State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered in this State.
- 3. The failure of a foreign limited partnership to register with the Secretary of State does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a foreign limited partnership is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county where the foreign limited partnership has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county where the foreign limited partnership has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a foreign limited partnership to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. A limited partner of a foreign limited partnership is not liable as a general partner of the foreign limited partnership solely by reason of having transacted business in this State without registration.
- [6.] 7. A foreign limited partnership, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of

State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.

- [7.] 8. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 70. NRS 88.606 is hereby amended to read as follows:
- 88.606 1. To become a registered limited-liability limited partnership, a limited partnership shall file with the Secretary of State a certificate of registration stating each of the following:
  - (a) The name of the limited partnership.
  - (b) The street address of its principal office.
  - (c) The information required pursuant to NRS 77.310.
- (d) The name and business address of each organizer signing the certificate.
  - (e) The name and business address of each initial general partner.
- (f) That the limited partnership thereafter will be a registered limited liability limited partnership.
  - (g) Any other information that the limited partnership wishes to include.
- 2. The certificate of registration must be signed by the vote necessary to amend the partnership agreement or, in the case of a partnership agreement that expressly considers contribution obligations, the vote necessary to amend those provisions.
- 3. The Secretary of State shall register as a registered limited-liability limited partnership any limited partnership that submits a completed certificate of registration with the required fee.
- 4. [A partnership] Any person may register as a registered limited liability limited partnership at the time of filing [its] a certificate of limited partnership by filing a [combined] certificate of limited partnership and a certificate of registration of a limited-liability limited partnership with the Secretary of State and paying the fees required pursuant to subsections 1 and 2 of NRS 88.415.
- 5. The registration of a registered limited-liability limited partnership is effective at the time of the filing of the certificate of registration.
- 6. A <u>{limited partnership}</u> <u>person</u> shall not register <del>{as}</del> a registered limited-liability limited partnership for any <del>{fillicit}</del> <u>illegal</u> purpose or with the <u>fraudulent</u> intent to <del>{cause}</del> conceal any business activity, or lack thereof, <u>from</u> another person or a governmental agency. <del>{fto believe that any person has conducted business activity through the registered limited liability limited partnership during a period in which no such business activity <del>occurred.</del></del>
  - Sec. 71. NRS 88.6062 is hereby amended to read as follows:
- 88.6062 1. Every person, other than a limited-liability limited partnership formed pursuant to an agreement governed by the laws of another state, who is purporting to do business in this State as a registered limited-liability limited partnership and who willfully fails or neglects to file with the Secretary of State a certificate of registration is subject to a fine of

not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, <code>[instruet]</code> <code>refer</code> the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, <code>for</code> a determination of whether to institute proceedings to recover the fine. <code>The district</code> attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in this section, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 72. NRS 88.6087 is hereby amended to read as follows:
- 88.6087 1. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which willfully fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered in this State.
- 3. The failure of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state and purporting to do business in this State as a foreign registered limited-liability limited partnership, to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 does not impair the validity of any contract or act of the limited-liability limited partnership or prevent the limited-liability limited partnership from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is subject to the fine described in subsection 1, the Secretary of

State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county where the limited-liability limited partnership has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county where the limited-liability limited partnership has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. A limited partner of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is not liable as a general partner of the limited-liability limited partnership solely by reason of having transacted business in this State without registration.
- [6.] 7. A limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, by transacting business in this State without registering with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.
- [7.] 8. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 73. NRS 88A.200 is hereby amended to read as follows:
- 88A.200 *1*. A business trust may be formed to carry on any lawful business or activity.
- 2. A person shall not form a business trust for any filleitf illegal purpose or with the fraudulent intent to feausef conceal any business activity, or lack thereof, from another person or a governmental agency. fto believe that any person has conducted business activity through the business trust during a period in which no such business activity occurred.
  - Sec. 74. NRS 88A.215 is hereby amended to read as follows:
- 88A.215 1. Every person, other than a foreign business trust, who is purporting to do business in this State as a business trust and who willfully fails or neglects to file with the Secretary of State a certificate of trust is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person, other than a foreign business trust, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, <u>Finstruct</u> <u>refer the matter to</u>

the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 74.5. NRS 88A.530 is hereby amended to read as follows:
- 88A.530 1. If its registered agent resigns pursuant to NRS 77.370 or if its commercial registered agent terminates its [listing] registration as a commercial registered agent pursuant to NRS 77.330, a business trust, before the effective date of the resignation or termination, shall file with the Secretary of State a statement of change of registered agent pursuant to NRS 77.340.
- 2. A business trust that fails to comply with subsection 1 shall be deemed in default and is subject to the provisions of NRS 88A.630 to 88A.660, inclusive.
- 3. As used in this section, "commercial registered agent" has the meaning ascribed to it in NRS 77.040.
  - Sec. 75. NRS 88A.600 is hereby amended to read as follows:
- 88A.600 1. A business trust formed pursuant to this chapter shall, on or before the last day of the first month after the filing of its certificate of trust with the Secretary of State [13] or, if the business trust has selected an alternative due date pursuant to subsection 8, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of trust with the Secretary of State occurs, file with the Secretary of State [13] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, on a form furnished by the Secretary of State, a list signed by at least one trustee, or by some other person specifically authorized by the business trust to sign the list, that contains the name and street address of at least one trustee. [and the information required pursuant to NRS 77.310.] Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that: [the business trust:]
- (a) [Has] The business trust has complied with the provisions of chapter 76 of NRS; [and]

- (b) [Acknowledges] The business trust acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (c) None of the trustees identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the business trust, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct.
  - 2. Upon filing:
- (a) The initial list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$125.
- 3. If a trustee of a business trust resigns and the resignation is not reflected on the annual or amended list of trustees, the business trust or the resigning trustee shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 4. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each business trust which is required to comply with the provisions of NRS 88A.600 to 88A.660, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 2 and a reminder to file the list required pursuant to subsection 1. Failure of a business trust to receive a notice does not excuse it from the penalty imposed by law.
- 5. An annual list for a business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.
- 6. A person who files with the Secretary of State an initial list or annual list fpursuant tof required by subsection 1 which identifies a trustee ffor the purpose of disguising the person or persons who have actual control over the daily operations of the business trust, for the purpose of evading the ereditors of any person or for any illegal purposef with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 7. For the purposes of this section, a person who is a beneficial owner is not deemed to exercise actual control of the daily operations of a business trust based solely on the fact that the person is a beneficial owner.
- 8. The Secretary of State may allow a business trust to select an alternative due date for filing the initial list required by subsection 1.
- 9. The Secretary of State may adopt regulations to administer the provisions of subsection 8.
  - Sec. 76. NRS 88A.650 is hereby amended to read as follows:

- 88A.650 1. Except as otherwise provided in subsections 3 and 4 and NRS 88A.345, the Secretary of State shall reinstate a business trust which has forfeited or which forfeits its right to transact business pursuant to the provisions of this chapter and shall restore to the business trust its right to carry on business in this State, and to exercise its privileges and immunities, if it:
  - (a) Files with the Secretary of State:
    - (1) The list required by NRS 88A.600; [and]
    - (2) The information required pursuant to NRS 77.310; and
- (3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected trustees of the business trust; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 88A.600 and 88A.630 for each year or portion thereof during which its certificate of trust was revoked: and
  - (2) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the business trust, the Secretary of State shall issue to the business trust a certificate of reinstatement if the business trust:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 88A.900.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the certificate of trust occurred only by reason of the failure to file the list or pay the fees and penalties.
- 4. If a certificate of business trust has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 consecutive years, the certificate must not be reinstated.
- 5. Except as otherwise provided in NRS 88A.660, a reinstatement pursuant to this section relates back to the date on which the business trust forfeited its right to transact business under the provisions of this chapter and reinstates the business trust's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 77. NRS 88A.710 is hereby amended to read as follows:
- 88A.710 *I.* Before transacting business in this State, a foreign business trust shall register with the Secretary of State. A person shall not register a foreign business trust [may not register] with the Secretary of State [if the foreign business trust was formed] for any [illieit] illegal purpose or with the fraudulent intent to [cause] conceal any business activity, or lack thereof, from another person or a governmental agency. [to believe that any person has conducted business activity through the foreign business trust during a period in which no such business activity occurred.]

- 2. In order to register, a foreign business trust shall submit to the Secretary of State an application for registration as a foreign business trust, signed by a trustee. The application for registration must set forth:
- [1.] (a) The name of the foreign business trust and, if different, the name under which it proposes to register and transact business in this State;
  - [2.] (b) The state and date of its formation;
  - [3.] (c) The information required pursuant to NRS 77.310;
- [4.] (d) The address of the office required to be maintained in the state of its organization by the laws of that state or, if not so required, of the principal office of the foreign business trust; and
  - [5.] (e) The name and address, either residence or business, of one trustee.
  - Sec. 78. NRS 88A.732 is hereby amended to read as follows:
- 88A.732 1. Each foreign business trust doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign business trust with the Secretary of State [-] or, if the foreign business trust has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year [-] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
  - (a) The name of the foreign business trust;
  - (b) The file number of the foreign business trust, if known;
  - (c) The name of at least one of its trustees;
- (d) The address, either residence or business, of the trustee listed pursuant to paragraph (c); and
  - (e) [The information required pursuant to NRS 77.310; and
- (f)] The signature of a trustee of the foreign business trust, or some other person specifically authorized by the foreign business trust to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list required to be filed pursuant to this section must be accompanied by a declaration under penalty of perjury that : [the foreign business trust:]
- (a) [Has] The foreign business trust has complied with the provisions of chapter 76 of NRS; [and]
- (b) [Acknowledges] The foreign business trust acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (c) None of the trustees identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the foreign business trust, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the

identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct.

- 3. Upon filing:
- (a) The initial list required by this section, the foreign business trust shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the foreign business trust shall pay to the Secretary of State a fee of \$125.
- 4. If a trustee of a foreign business trust resigns and the resignation is not reflected on the annual or amended list of trustees, the foreign business trust or the resigning trustee shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign business trust which is required to comply with the provisions of NRS 88A.732 to 88A.738, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign business trust to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 88A.732 to 88A.738, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A person who files with the Secretary of State a list required by this section which identifies a trustee for the purpose of disguising the person or persons who have actual control over the daily operations of the foreign business trust, for the purpose of evading the creditors of any person or for any illegal purpose] with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. For the purposes of this section, a person who is a beneficial owner is not deemed to exercise actual control of the daily operations of a foreign business trust based solely on the fact that the person is a beneficial owner.
- 10. The Secretary of State may allow a foreign business trust to select an alternative due date for filing the initial list required by this section.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.
  - Sec. 79. NRS 88A.737 is hereby amended to read as follows:
- 88A.737 1. Except as otherwise provided in subsections 3 and 4 and NRS 88A.7345, the Secretary of State shall reinstate a foreign business trust which has forfeited or which forfeits its right to transact business under the

provisions of this chapter and shall restore to the foreign business trust its right to transact business in this State, and to exercise its privileges and immunities, if it:

- (a) Files with the Secretary of State:
  - (1) The list required by NRS 88A.732; [and]
  - (2) The information required pursuant to NRS 77.310; and
- (3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected trustees of the foreign business trust; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 88A.732 and 88A.735 for each year or portion thereof that its right to transact business was forfeited; and
  - (2) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the foreign business trust, the Secretary of State shall issue to the foreign business trust a certificate of reinstatement if the foreign business trust:
  - (a) Requests a certificate of reinstatement; and
  - (b) Pays the required fees pursuant to NRS 88A.900.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.
- 4. If the right of a foreign business trust to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right to transact business must not be reinstated.
- 5. Except as otherwise provided in NRS 88A.738, a reinstatement pursuant to this section relates back to the date the foreign business trust forfeited its right to transact business under the provisions of this chapter and reinstates the foreign business trust's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 80. NRS 88A.750 is hereby amended to read as follows:
- 88A.750 1. Every foreign business trust transacting business in this State which willfully fails or neglects to register with the Secretary of State pursuant to the provisions of NRS 88A.710 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. Every foreign business trust transacting business in this State which fails or neglects to register with the Secretary of State pursuant to the provisions of NRS 88A.710 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State.

- 3. The failure of a foreign business trust to register with the Secretary of State does not impair the validity of any contract or act of the foreign business trust or prevent the foreign business trust from defending any action, suit or proceeding in any court of this State.
- 4. When the Secretary of State is advised that a foreign business trust is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county where the foreign business trust has its principal place of business or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county where the foreign business trust has its principal place of business or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 5. In the course of an investigation of a violation of this section, the Secretary of State may require a foreign business trust to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 6. A foreign business trust, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.
- [6.] 7. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 81. NRS 88A.930 is hereby amended to read as follows:
- 88A.930 1. A business trust may correct a record filed in the Office of the Secretary of State with respect to the business trust if the record contains an inaccurate description of a trust action or if the record was defectively signed, attested, sealed, verified or acknowledged.
  - 2. To correct a record, the business trust must:
  - (a) Prepare a certificate of correction that:
    - (1) States the name of the business trust;
    - (2) Describes the record, including, without limitation, its filing date;
    - (3) Specifies the inaccuracy or defect;
- (4) Sets forth the inaccurate or defective portion of the record in an accurate or corrected form; and
- (5) Is signed by a trustee of the business trust [.] or by some other person specifically authorized by the business trust to sign the certificate.
  - (b) Deliver the certificate to the Secretary of State for filing.
  - (c) Pay a filing fee of \$175 to the Secretary of State.
- 3. A certificate of correction is effective on the effective date of the record it corrects except as to persons relying on the uncorrected record and

adversely affected by the correction. As to those persons, the certificate is effective when filed.

- 4. If a business trust has made a filing with the Secretary of State and the Secretary of State has not processed the filing and placed the filing into the public record, the business trust may cancel the filing by:
  - (a) Filing a statement of cancellation with the Secretary of State; and
  - (b) Paying a fee of \$50.
- Sec. 82. Chapter 89 of NRS is hereby amended by adding thereto a new section to read as follows:

A person shall not form an entity pursuant to this chapter for any fillieitfillegal purpose or with the fraudulent intent to feauxefillegal purpose or a governmental agency. It is sufficient to feauxefillegal purpose or with the fraudulent intent to feauxefillegal purpose or with the feauxefille

- Sec. 83. NRS 89.215 is hereby amended to read as follows:
- 89.215 1. Every person who is purporting to do business in this State as a professional association and who willfully fails or neglects to file with the Secretary of State articles of association is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.
- 2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, [instruct] refer the matter to the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, for a determination of whether to institute proceedings to recover the fine. The district attorney of the county in which the person's principal place of business is located or the Attorney General may institute and prosecute the appropriate proceedings to recover the fine. If the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.
- 3. In the course of an investigation of a violation of this section, the Secretary of State may require a person to answer any interrogatory submitted by the Secretary of State that will assist in the investigation.
- 4. The Secretary of State may adopt regulations to administer the provisions of this section.
  - Sec. 84. NRS 89.250 is hereby amended to read as follows:
- 89.250 1. Except as otherwise provided in subsection 2, a professional association shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State [1-3] or, if the professional association has selected an alternative due date pursuant to subsection 7, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year [1-3] or, if applicable, on or before the last day of the month in

which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list showing the names and addresses, either residence or business, of all members and employees in the professional association and certifying that all members and employees are licensed to render professional service in this State.

- 2. A professional association organized and practicing pursuant to the provisions of this chapter and NRS 623.349 shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State [-] or, if the professional association has selected an alternative due date pursuant to subsection 7, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year [-] or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list:
- (a) Showing the names and addresses, either residence or business, of all members and employees of the professional association who are licensed or otherwise authorized by law to render professional service in this State;
- (b) Certifying that all members and employees who render professional service are licensed or otherwise authorized by law to render professional service in this State; and
- (c) Certifying that all members who are not licensed to render professional service in this State do not render professional service on behalf of the professional association except as authorized by law.
  - 3. Each list filed pursuant to this section must be:
- (a) Made on a form furnished by the Secretary of State and must not contain any fiscal or other information except that expressly called for by this section.
- (b) Signed by the chief executive officer of the professional association [.] or by some other person specifically authorized by the chief executive officer to sign the list.
- (c) Accompanied by a declaration under penalty of perjury that : [the professional association:]
- (1) [Has] The professional association has complied with the provisions of chapter 76 of NRS; [and]
- (2) [Acknowledges] The professional association acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State [.]; and
- (3) None of the members or employees identified in the list has been identified in the list for the purpose of disguising the actual control of the daily operations of the professional association, for the purpose of evading the creditors of any person or for any illegal purpose.] with the fraudulent intent of concealing the identity of any person or persons exercising the

power or authority of a member or employee in furtherance of any unlawful conduct.

- 4. Upon filing:
- (a) The initial list required by this section, the professional association shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the professional association shall pay to the Secretary of State a fee of \$125.
- 5. A person who files with the Secretary of State an initial list or annual list required by this section which identifies a member or an employee of a professional association for the purpose of disguising the person or persons who have actual control over the daily operations of the professional association, for the purpose of evading the creditors of any person or for any illegal purposel with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a member or employee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 6. For the purposes of this section, a person is not deemed to exercise actual control of the daily operations of a professional association based solely on the fact that the person holds an ownership interest in the professional association.
- 7. The Secretary of State may allow a professional association to select an alternative due date for filing the initial list required by this section.
- <u>8. The Secretary of State may adopt regulations to administer the provisions of subsection 7.</u>
  - Sec. 85. NRS 89.256 is hereby amended to read as follows:
- 89.256 1. Except as otherwise provided in subsections 3 and 4 and NRS 89.251, the Secretary of State shall reinstate any professional association which has forfeited its right to transact business under the provisions of this chapter and restore the right to carry on business in this State and exercise its privileges and immunities if it:
  - (a) Files with the Secretary of State:
    - (1) The list and certification required by NRS 89.250; [and]
    - (2) The information required pursuant to NRS 77.310; and
- (3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected chief executive officer of the professional association; and
  - (b) Pays to the Secretary of State:
- (1) The filing fee and penalty set forth in NRS 89.250 and 89.252 for each year or portion thereof during which the articles of association have been revoked; and
  - (2) A fee of \$300 for reinstatement.
- 2. When the Secretary of State reinstates the professional association, the Secretary of State shall issue to the professional association a certificate of reinstatement if the professional association:

- (a) Requests a certificate of reinstatement; and
- (b) Pays the required fees pursuant to subsection 7 of NRS 78.785.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the articles of association occurred only by reason of the failure to pay the fees and penalties.
- 4. If the articles of association of a professional association have been revoked pursuant to the provisions of this chapter and have remained revoked for 10 consecutive years, the articles must not be reinstated.
- 5. A reinstatement pursuant to this section relates back to the date on which the professional association forfeited its right to transact business under the provisions of this chapter and reinstates the professional association's right to transact business as if such right had at all times remained in full force and effect.
  - Sec. 86. NRS 104.9526 is hereby amended to read as follows:
- 104.9526 1. The Secretary of State shall adopt and publish rules to effectuate this article. The filing-office rules must be:
  - (a) Consistent with this article; and
  - (b) Adopted in accordance with the provisions of chapter 233B of NRS.
- 2. To keep the filing-office rules and the practices of the filing office in harmony with the rules and practices of filing offices in other jurisdictions that enact substantially this part, and to keep the technology used by the filing office compatible with the technology used by filing offices in other jurisdictions that enact substantially this part, the Secretary of State, so far as is consistent with the purposes, policies, and provisions of this article, in adopting, amending, and repealing filing-office rules, shall:
- (a) Consult with filing offices in other jurisdictions that enact substantially this part;
- (b) Consult the most recent version of the Model Rules promulgated by the International Association of [Corporation] Commercial Administrators or any successor organization; and
- (c) Take into consideration the rules and practices of, and the technology used by, filing offices in other jurisdictions that enact substantially this part.
  - Sec. 87. NRS 104.9527 is hereby amended to read as follows:
- 104.9527 The Secretary of State shall report biennially on or before the first Monday of February in each odd-numbered year to the Governor and Legislature on the operation of the filing office. The report must contain a statement of the extent to which:
- 1. The filing-office rules are not in harmony with the rules of filing offices in other jurisdictions that enact substantially this part and the reasons for these variations; and
- 2. The filing-office rules are not in harmony with the most recent version of the Model Rules promulgated by the International Association of [Corporation] Commercial Administrators, or any successor organization, and the reasons for these variations.

## Sec. 88. NRS 78.795 is hereby repealed.

## TEXT OF REPEALED SECTION

- 78.795 Registration of natural person or corporation willing to serve as registered agent for corporation, limited-liability company or limited partnership.
- 1. Any natural person or corporation residing or located in this State may register for that calendar year a willingness to serve as the registered agent of a domestic or foreign corporation, limited-liability company or limited partnership with the Secretary of State. The registration must state the full, legal name of the person or corporation willing to serve as the registered agent and be accompanied by a fee of \$500 per office location of the registered agent.
- 2. The Secretary of State shall maintain a list of those persons who are registered pursuant to subsection 1 and make the list available to persons seeking to do business in this State.
- 3. The Secretary of State may amend any information provided in the list if a person who is included in the list:
  - (a) Requests the amendment; and
  - (b) Pays a fee of \$50.
- 4. The Secretary of State may adopt regulations prescribing the content, maintenance and presentation of the list.

Senator Kihuen moved the adoption of the amendment.

Remarks by Senator Kihuen.

Amendment No. 72 to Senate Bill No. 60 is the Secretary of State's bill which makes more than 12 changes to clean up the original bill.

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 Natural Resources:

Amendment No. 193.

"SUMMARY—Revises provisions relating to public water systems and certain laboratories. (BDR 40-349)"

"AN ACT relating to water; providing for the issuance of certain nonemergency orders by the Division of Environmental Protection of the State Department of Conservation and Natural Resources; authorizing the recovery of civil penalties and the imposition of administrative fines for certain violations by a laboratory for the analysis of water; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the Division of Environmental Protection of the State Department of Conservation and Natural Resources is authorized to issue an emergency order requiring a supplier of water immediately to take action necessary to protect the public health if the Division determines that such order is necessary to eliminate an imminent hazard to a public water system. (NRS 445A.930) Sections 2, 3 and 5 of this bill expand the authority of the Division to issue orders other than emergency orders to correct violations by operators of public water systems and laboratories for the analysis of water. Section 2 also authorizes, under certain circumstances, the Division to issue a summary order against any person, directing the person to cease and desist from any further acts that constitute or would constitute a violation of certain provisions of law and regulations, or a term or condition of certain permits or certifications.

Under existing law, a person who owns, controls or operates a public water system is liable for a civil penalty and may be subject to an administrative fine per day for certain violations. (NRS 445A.950) Section 3 of this bill authorizes the imposition of the same daily monetary penalties against a laboratory for the analysis of water for certain violations.

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

- Section 1. Chapter 445A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. If the Division has reason to believe that a person is engaging or has engaged in any act or practice which violates the provisions of NRS 445A.800 to 445A.955, inclusive, and sections 2 and 3 of this act, or a regulation adopted or order issued pursuant thereto, or any term or condition of a permit to operate a public water system issued pursuant to NRS [445A.885] 445A.860 or a certification of a laboratory for the analysis of water issued pursuant to NRS 445A.863, the Division may, in addition to any other action authorized or required by NRS 445A.800 to 445A.955, inclusive, and sections 2 and 3 of this act, issue an order:
- (a) Specifying the provision or provisions which the Division believes or has reason to believe the person is violating or has violated;
  - (b) Setting forth the facts alleged to constitute the violation;
- (c) Prescribing the actions the person must take to correct the violation and the period during which the violation must be corrected; and
- (d) Requiring the person to appear before the Administrator of the Division or a hearing officer appointed by the Administrator to show cause why the Division should not commence an action against the person in district court for appropriate relief.
- 2. If the Division has reasonable cause to believe, based on evidence satisfactory to it, that any person is about to violate the provisions of this section and NRS 445A.800 to 445A.955, inclusive, and section 3 of this act, or a regulation adopted or order issued pursuant thereto, or any term or condition of a permit to operate a public water system issued pursuant to NRS 445A.860 or a certification of a laboratory for the analysis of water issued pursuant to NRS 445A.863, the Division may, without a prior hearing, issue a summary order against the person, directing the person to cease and

desist from any further acts that constitute or would constitute a violation. The summary order to cease and desist must specify the provision of this section and NRS 445A.800 to 445A.955, inclusive, and section 3 of this act, or a regulation adopted or order issued pursuant thereto, or the term or condition of a permit or certification which the Division reasonably believes is about to be violated.

- 3. An order issued by the Division pursuant to subsection 1 or 2 is effective immediately and is not subject to review unless the person to whom the order is directed, not later than 30 days after the order is [served,] issued, submits a written petition to the [Division] Commission for a hearing.
  - Sec. 3. 1. A laboratory for the analysis of water that:
  - (a) *[Violates any standard established pursuant to NRS 445A.855;*
- (b)] Violates any regulation adopted by the Commission pursuant to NRS 445A.863; or
- <del>[(e)]</del> <u>(b)</u> Violates or fails to comply with an order issued pursuant to <u>subsection 1 or 2 of section 2 of this act</u>,
- *is liable for a civil penalty, to be recovered by the Attorney General in the name of the Division, of not more than \$5,000 for each day of the violation.*
- 2. In addition to the civil penalty described in subsection 1, the Division may impose an administrative fine of not more than \$2,500 per day for each violation described in subsection 1.
- 3. The civil penalty and administrative fine authorized by this section are in addition to any other penalties or relief prescribed by NRS 445A.800 to 445A.955, inclusive, and sections 2 and 3 of this act.
  - Sec. 4. NRS 445A.805 is hereby amended to read as follows:
- 445A.805 As used in NRS 445A.800 to 445A.955, inclusive, *and sections 2 and 3 of this act,* unless the context otherwise requires, the words and terms defined in NRS 445A.807 to 445A.850, inclusive, have the meanings ascribed to them in those sections.
  - Sec. 5. NRS 445A.950 is hereby amended to read as follows:
  - 445A.950 1. Any supplier of water who:
  - (a) Violates any standard established pursuant to NRS 445A.855;
- (b) Violates or fails to comply with an [emergency] order issued pursuant to NRS 445A.930 [:] or subsection 1 or 2 of section 2 of this act;
- (c) Violates any condition imposed by the Commission upon granting a variance or exemption under NRS 445A.935;
- (d) Violates a regulation adopted by the Commission pursuant to NRS 445A.860  $\frac{1}{5}$  or 445A.880; or
  - (e) Fails to give a notice as required by NRS 445A.940,
- → is liable for a civil penalty, to be recovered by the Attorney General in the name of the Division, of not more than \$5,000 for each day of the violation.
- 2. In addition to the civil penalty prescribed in subsection 1, the Division may impose an administrative fine against a supplier of water who commits any violation enumerated in subsection 1. The administrative fine imposed may not be more than \$2,500 per day for each such violation.

- 3. The civil penalty and administrative fine prescribed in this section may be imposed in addition to any other penalties or relief prescribed in NRS 445A.800 to 445A.955, inclusive [-], and sections 2 and 3 of this act.
  - Sec. 6. This act becomes effective upon passage and approval.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 193 to Senate Bill No. 65 clarifies that the Division of Environmental Protection may issue a summary order or a cease and desist order if the Division of Environmental Protection has reasonable cause to believe, based on satisfactory evidence, that a person is about to violate certain provisions relating to public water systems.

Amendment No. 193 to Senate Bill No. 65 also makes a number of minor technical corrections such as: (1) making a correction to statutory reference in Section 2; (2) clarifying that orders from the Division of Environmental Protection are issued, rather than served; and (3) deleting language relating to violations of drinking water standards by laboratories, since laboratories provide an analytical service and are not in a position to violate any drinking water standard.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 68.

Bill read second time.

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

Amendment No. 256.

"SUMMARY—[Provides for the creation of underground utilities districts.] Revises provisions relating to utilities. (BDR 20-497)"

"AN ACT relating to utilities; [requiring the] authorizing a board of county commissioners [in certain counties] to create an underground utilities district; [authorizing the creation of such a district in other counties;] providing for the organization, operation and budget of an underground utilities district; authorizing the issuance of general obligation bonds and the levy of a tax to construct and maintain an underground utilities district; requiring that certain utilities located within a redevelopment area be placed underground; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, a city council, city commission, board of county commissioners, board of trustees, board of directors, board of supervisors or any other legislative body of a public body may, by provisional order, petition or ordinance, establish a district to finance an underground conversion project for: (1) the removal of existing overhead service facilities that are used for electric or communication service or service from a video network; and (2) the replacement of those service facilities with underground service facilities. (NRS 271.800) Existing law also authorizes the creation in a city or county of a service district in which certain electric and communication facilities are placed underground. The establishment of such a service district is initiated by petition of not less than 60 percent of the owners of contiguous property within the proposed service district.

(NRS 704A.170) After conducting a hearing on the petition and complying with other procedural requirements, the governing body of the city or county is required to enact an ordinance establishing the service district. (NRS 704A.240)

Sections 2-7 of this bill provide an additional method for creating, constructing and maintaining a district in which electric and communication facilities are placed underground, referred to in those sections as an underground utilities district. Section 5 [requires] authorizes the board of county commissioners fin al of any county whose population is 700,000 or more (currently Clark County) to create, by ordinance, an underground utilities district. If the board of county commissioners creates an underground utilities district, the boundaries of the district must include the entire county, including every incorporated city located within the county and the unincorporated areas of the county. <del>In a county whose population is</del> less than 700,000 (currently counties other than Clark County), the board of county commissioners is authorized, but is not required, to create such an underground utilities district.] Section 5 provides that the board of county commissioners creating the underground utilities district is the governing body of the underground utilities district and also provides for the organization and holding of meetings of the governing body. <del>[Section 6]</del> requires a board of county commissioners that creates an underground utilities district to establish the boundaries of the district by ordinance and authorizes the board of county commissioners to alter those boundaries.] Section 7 provides for the financing of the construction and maintenance of an underground utilities district by authorizing the issuance of general obligation bonds and the levy of an ad valorem tax. If the governing body of the underground utilities district proposes to issue general obligation bonds or levy such a tax, section 7 authorizes the governing body to submit the proposal to the registered voters of the underground utilities district at a primary or general election.

Section 10 of this bill requires, under certain circumstances: (1) new utilities which are constructed in a redevelopment area to be constructed and maintained underground; and (2) existing aboveground utilities that are located in an area where a redevelopment project is undertaken to be removed and replaced with utilities located underground. Section 13 of this bill provides that these requirements become effective on July 1, 2018.

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

- Section 1. Chapter 244A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.
- Sec. 2. As used in sections 2 to 7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.
- Sec. 3. <u>1.</u> "Underground utilities district" means <del>[an area of]</del> a <del>[county designated]</del> <u>district created</u> by <del>[the]</del> <u>a</u> board of county

commissioners [of the county] pursuant to section 5 of this act in which all new utilities are constructed and maintained underground or in which any existing aboveground utilities are removed and partially or entirely replaced with utilities located underground.

- 2. The term does not include <del>[an]</del>:
- (a) An underground conversion project as defined in NRS 271.242;
- (b) Any utility constructed, maintained, removed or replaced pursuant to section 10 of this act; or <del>[a]</del>
  - (c) A service district as defined in NRS 704A.140.
- Sec. 4. <u>I.</u> "Utilities" means any equipment or works used to provide electric <u>, video, broadband</u> or telephone service <u>, fwithin an underground utilities district,</u>] including, without limitation, any pole, support, pipe, wire, attachment or appurtenance used to provide that service.
- 2. The term does not include any electric substation or line used for the transmission of electric energy at nominal voltages in excess of 25,000 volts and any associated equipment or facilities.
- Sec. 5. 1. The board of county commissioners in fal any county fwhose population is 700,000 or more shall, may, by ordinance, create an underground utilities district. fin the board of county commissioners creates an underground utilities district, the boundaries of the underground utilities district must include the entire county, including, without limitation, every incorporated city located within the county and all unincorporated fareal areas of the county. The board of county commissioners is ex officio the governing body of an underground utilities district created pursuant to this section and may:
  - (a) Organize and maintain the underground utilities district;
  - (b) Establish, by ordinance, regulations:
- (1) For the administration of the internal affairs of the underground utilities district;
- (2) For the employment of professional, technical, clerical and other personnel required to carry out the duties of the underground utilities district; and
- (3) For the establishment and alteration of the boundaries of the underground utilities district; and
- (4)] Providing for the use of revenue received by the underground utilities district; and
- (c) Hold meetings as the governing body of the underground utilities district in conjunction with its meetings as the board of county commissioners without posting a separate agenda or posting additional notice of the meetings within the underground utilities district.
- 2. [The board of county commissioners in a county whose population is less than 700,000 may, by ordinance, create an underground utilities district pursuant to sections 2 to 7, inclusive, of this act.
- $\frac{3-1}{2}$  A person who is employed to perform a function of the underground utilities district is an employee of the county for all purposes.

- Sec. 6. [1. Except as otherwise provided in subsection 2, a board of county commissioners that creates an underground utilities district shall establish the boundaries of the underground utilities district and may alter those boundaries by ordinance.
- 2. The boundaries of an underground utilities district must not be established or altered to include any territory within the boundaries of an incorporated city; except that any annexation or incorporation occurring after the effective date of the ordinance creating or altering the boundaries of the underground utilities district does not affect the boundaries of the underground utilities district.] (Deleted by amendment.)
  - Sec. 6.5. The governing body of an underground utilities district:
- 1. Shall work cooperatively with wireless service providers for the continued operation of existing aboveground wireless telecommunications facilities.
- 2. Shall not remove or otherwise cause the removal of any structure utilized for wireless telecommunications services without the written consent of the wireless service provider.
- Sec. 7. 1. The budget of an underground utilities district must comply with the provisions of NRS 354.470 to 354.626, inclusive, but need not be separately prepared and may be included within the county budget. The underground utilities district is not entitled to any share of revenue from the supplemental city-county relief tax.
- 2. The governing body of an underground utilities district may submit to the registered voters of the underground utilities district at a primary or general election:
- (a) A proposal to issue general obligation bonds of the underground utilities district to finance the construction and maintenance of the underground utilities district. The amount of the general obligation bonds must not exceed 10 percent of the assessed valuation of the taxable property in the underground utilities district. The ballot question for such a proposal must set forth the principal amount of the general obligation bonds to be issued, the purpose of the issuance of the bonds and the estimate of the governing body of:
- (1) The duration of the levy of property tax that will be used to pay the general obligation bonds; and
- (2) The average annual increase, if any, in the amount of property taxes that an owner of a new home with a fair market value of \$100,000 will pay for debt service on the general obligation bonds to be issued.
- (b) A proposal to levy a tax ad valorem pursuant to NRS 354.5982 for the construction and maintenance of the underground utilities district.
- 3. The ballot question for a proposal submitted to the registered voters pursuant to paragraph (b) of subsection 2 must set forth:
- (a) The rate of the proposed additional property tax stated in dollars and cents per \$100 of assessed valuation;
  - (b) The purpose and duration of the proposed additional property tax; and

- (c) An estimate established by the governing body of the increase in the amount of property taxes that an owner of a new home with a fair market value of \$100,000 will pay per year as a result of the passage of the question.
- 4. If the proposal to issue bonds is approved by the voters, the county may issue bonds of the underground utilities district as provided in chapter 350 of NRS.
- Sec. 8. Chapter 279 of NRS is hereby amended by adding thereto the provisions set forth as sections 9 and 10 of this act.
- Sec. 9. "Utilities" has the meaning ascribed to it in section 4 of this act.
- Sec. 10. 1. Except as otherwise provided in subsection 2:
- (a) All new utilities that are constructed in a redevelopment area must be constructed and maintained underground.
- (b) All existing aboveground utilities that are located within an area where a redevelopment project is undertaken must be removed and replaced with utilities located underground.
- 2. An agency may waive the requirements of subsection 1 for good cause shown.
  - Sec. 11. NRS 279.384 is hereby amended to read as follows:
- 279.384 As used in NRS 279.382 to 279.685, inclusive, <u>and sections 9 and 10 of this act</u>, unless the context otherwise requires, the words and terms defined in NRS 279.386 to 279.414, inclusive, <u>and section 9 of this act</u> have the meanings ascribed to them in those sections.
  - Sec. 12. NRS 279.519 is hereby amended to read as follows:
- 279.519 1. A redevelopment area need not be restricted to buildings, improvements or lands which are detrimental or inimical to the public health, safety or welfare, but may consist of an area in which such conditions predominate and injuriously affect the entire area. A redevelopment area [may]:
- (a) May include, in addition to blighted areas, lands, buildings or improvements which are not detrimental to the public health, safety or welfare, but whose inclusion is found necessary for the effective redevelopment of the area of which they are a part.
- (b) Must include all existing aboveground utilities located in the redevelopment area.
- 2. At least 75 percent of the area included within a redevelopment area must be improved land and may include, without limitation:
- (a) Public land upon which public buildings have been erected or improvements have been constructed.
- (b) Land on which an abandoned mine, landfill or other similar use is located and which is surrounded by or directly abuts the improved land.
- 3. The area included within a redevelopment area may be contiguous or noncontiguous.
- 4. If the subject of the redevelopment is an eligible railroad or facilities related to an eligible railroad, the area included within a redevelopment area may consist of contiguous or noncontiguous vacant land that:

- (a) Is located near the eligible railroad; and
- (b) May accommodate commercial or industrial facilities that may use the eligible railroad.
- 5. The taxable property in a redevelopment area must not be included in any subsequently created redevelopment area until at least 50 years after the effective date of creation of the first redevelopment area in which the property was included.
  - 6. As used in this section, "improved land" means:
  - (a) Land that contains structures which:
- (1) Are used for residential, commercial, industrial or governmental purposes; and
- (2) Have been connected to water facilities, sewer facilities or roads, or any combination thereof;
- (b) Any areas related to the structures described in paragraph (a), including, without limitation, landscaping areas, parking areas, parks and streets; and
- (c) If the subject of the redevelopment is an eligible railroad or facilities related to an eligible railroad:
  - (1) Land on which the eligible railroad is located; and
- (2) Any areas related to the eligible railroad, including, without limitation, land on which is located railroad tracks, a railroad right-of-way or a facility related to the eligible railroad.
- [Sec. 8.] Sec. 13. 1. This section and sections 1 to 7, inclusive, of this act [becomes] become effective:
- [1.] (a) Upon passage and approval for the purpose of performing any preparatory administrative tasks required to carry out the provisions of this act; and
  - [2.] (b) On July 1, 2013, for all other purposes.
  - 2. Sections 8 to 12, inclusive, of this act become effective:
- (a) Upon passage and approval for the purpose of performing any preparatory administrative tasks required to carry out the provisions of this act: and
  - (b) On July 1, 2018, for all other purposes.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 256 to Senate Bill No. 68 makes the creation of an underground utility district permissive in all counties and provides that if a county chooses to create such a district it will be county-wide rather than excluding incorporated cities as did the original bill. It also requires undergrounding of utilities to be part of any new redevelopment project, but this requirement does not take effect until July 1, 2018. Finally, the amendment incorporates technical language requested by utility, telecommunications and video providers to clarify which parts of their equipment will be affected by the bill and which parts are necessarily excluded from it.

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. 255.

"SUMMARY—Revises provisions relating to public records. (BDR 19-603)"

"AN ACT relating to public records; requiring the person who has legal custody or control of a public record, under certain circumstances, to prepare a copy of the public record rather than requiring the person who has requested the copy to prepare the copy; requiring copies of public books and records to be made available [immediately] upon request in certain circumstances; limiting the fee which may be charged for a copy of a public record in the custody of a law library operated by a governmental entity; requiring [eopies] a copy of minutes [and] or audio recordings of public meetings to be made available to a member of the public upon request at no charge; reducing the fee a county clerk charges for copying records, proceedings or papers [; eliminating the fee a county clerk charges] or for searching records or files in the office of the county clerk; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, all public books and records that are not otherwise declared by law to be confidential must be made available to the public for inspection or copying by any person. (NRS 239.010) Section 1 of this bill prohibits the officer, employee or agent of a governmental entity who has legal custody or control of a public record from requiring a person who has requested a copy of the public record to prepare the copy himself or herself. Rather, upon request, the officer, employee or agent of the governmental entity must prepare the copy of the public record, unless the copy needs to be a certified copy.

Existing law requires requests for inspection or copying of public books or records to be addressed not later than the fifth business day after the person who has legal custody or control of a public book or record of a governmental entity receives a request. (NRS 239.0107) Section 2 of this bill requires the public book or record to be made available [immediately] upon request if the public book or record is readily available.

Section 4 of this bill limits the fee for a copy of a public book or record in the custody of a law library operated by a governmental entity to [10] 50 cents per page. Section 5 of this bill requires [eopies] a copy of minutes [and] or audio recordings of public meetings to be made available to a member of the public upon request at no charge. Section 7 of this bill reduces the fee a county clerk charges for preparing a copy of any record, proceeding or paper [from \$1 per page to 10 cents per page. Section 7 also eliminates] and the fee that the county clerk charges for searching the records or files in

the office of the county clerk  $\frac{[\cdot]}{[\cdot]}$  and authorizes the county clerk to waive those fees.

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

Section 1. NRS 239.010 is hereby amended to read as follows:

- 239.010 1. Except as otherwise provided in subsection 3, all public books and public records of a governmental entity, the contents of which are not otherwise declared by law to be confidential, must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.
- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy *or receive a copy of* a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record [shall]:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
  - Sec. 2. NRS 239.0107 is hereby amended to read as follows:
- 239.0107 1. Not later than the end of the fifth business day after the date on which the person who has legal custody or control of a public book or record of a governmental entity receives a written *or oral* request from a person to inspect, [or] copy *or receive a copy of* the public book or record, a governmental entity shall do one of the following, as applicable:
- (a) [Allow] Except as otherwise provided in subsection 2, allow the person to inspect or copy the public book or record [.] or, if the request is for

the person to receive a copy of the public book or record, provide such a copy to the person.

- (b) If the governmental entity does not have legal custody or control of the public book or record, provide to the person, in writing:
  - (1) Notice of that fact; and
- (2) The name and address of the governmental entity that has legal custody or control of the public book or record, if known.
- (c) Except as otherwise provided in paragraph (d), if the governmental entity is unable to make the public book or record available by the end of the fifth business day after the date on which the person who has legal custody or control of the public book or record received the request, provide to the person, in writing:
  - (1) Notice of that fact; and
- (2) A date and time after which the public book or record will be available for the person to inspect or copy [.] or after which a copy of the public book or record will be available to the person. If the public book or record or the copy of the public book or record is not available to the person [to inspect or copy] by that date and time, the person may inquire regarding the status of the request.
- (d) If the governmental entity must deny the person's request [to inspect or copy the public book or record] because the public book or record, or a part thereof, is confidential, provide to the person, in writing:
  - (1) Notice of that fact; and
- (2) A citation to the specific statute or other legal authority that makes the public book or record, or a part thereof, confidential.
- 2. [The provisions of this section must not be construed to prohibit an oral request] If a public book or record of a governmental entity is readily available for inspection or copying, the person who has legal custody or control of the public book or record shall [immediately] allow a person who has submitted a request to inspect, [or] copy or receive a copy of a public book or record.
  - Sec. 3. NRS 239.011 is hereby amended to read as follows:
- 239.011 *1*. If a request for inspection , [or] copying *or copies* of a public book or record open to inspection and copying is denied, the requester may apply to the district court in the county in which the book or record is located for an order [permitting]:
  - (a) Permitting the requester to inspect or copy [it.] the book or record; or
- (b) Requiring the person who has legal custody or control of the public book or record to provide a copy to the requester,
- → as applicable.
- 2. The court shall give this matter priority over other civil matters to which priority is not given by other statutes. If the requester prevails, the requester is entitled to recover his or her costs and reasonable attorney's fees in the proceeding from the governmental entity whose officer has custody of the book or record.

- Sec. 4. NRS 239.052 is hereby amended to read as follows:
- 239.052 1. Except as otherwise provided in this subsection, a governmental entity may charge a fee for providing a copy of a public record. Such a fee must not exceed the actual cost to the governmental entity to provide the copy of the public record unless a specific statute or regulation sets a fee that the governmental entity must charge for the copy. A governmental entity shall not charge a fee for providing a copy of a public record if a specific statute or regulation requires the governmental entity to provide the copy without charge.
- 2. A governmental entity may waive all or a portion of a charge or fee for a copy of a public record if the governmental entity:
- (a) Adopts a written policy to waive all or a portion of a charge or fee for a copy of a public record; and
- (b) Posts, in a conspicuous place at each office in which the governmental entity provides copies of public records, a legible sign or notice that states the terms of the policy.
- 3. A governmental entity shall prepare and maintain a list of the fees that it charges at each office in which the governmental entity provides copies of public records. A governmental entity shall post, in a conspicuous place at each office in which the governmental entity provides copies of public records, a legible sign or notice which states:
- (a) The fee that the governmental entity charges to provide a copy of a public record; or
- (b) The location at which a list of each fee that the governmental entity charges to provide a copy of a public record may be obtained.
- 4. The fee for providing a copy of a public book or record in the custody of a law library operated by a governmental entity must not exceed  $\frac{\{10\}}{50}$  cents per page.
  - Sec. 4.5. NRS 239.055 is hereby amended to read as follows:
- 239.055 1. Except as otherwise provided in NRS 239.054 regarding information provided from a geographic information system, if a request for a copy of a public record would require a governmental entity to make extraordinary use of its personnel or technological resources, the governmental entity may, in addition to any other fee authorized pursuant to this chapter, charge a fee <u>not to exceed 50 cents per page</u> for such extraordinary use. [Upon] Such a request must be made in writing, and upon receiving such a request, the governmental entity shall inform the requester, in writing, of the amount of the fee before preparing the requested information. The fee charged by the governmental entity must be reasonable and must be based on the cost that the governmental entity actually incurs for the extraordinary use of its personnel or technological resources. The governmental entity shall not charge such a fee if the governmental entity is not required to make extraordinary use of its personnel or technological resources to fulfill additional requests for the same information.

- 2. As used in this section, "technological resources" means any information, information system or information service acquired, developed, operated, maintained or otherwise used by a governmental entity.
  - Sec. 5. NRS 241.035 is hereby amended to read as follows:
- 241.035 1. Each public body shall keep written minutes of each of its meetings, including:
  - (a) The date, time and place of the meeting.
- (b) Those members of the public body who were present and those who were absent.
- (c) The substance of all matters proposed, discussed or decided and, at the request of any member, a record of each member's vote on any matter decided by vote.
- (d) The substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion.
- (e) Any other information which any member of the public body requests to be included or reflected in the minutes.
- 2. Minutes of public meetings are public records. Minutes or audiotape recordings of the meetings must be made available for inspection by the public, and feopies a copy of fuch the minutes fund or audio recordings must be made available to a member of the public upon request at no charge, within 30 working days after the adjournment of the meeting at which taken. The minutes shall be deemed to have permanent value and must be retained by the public body for at least 5 years. Thereafter, the minutes may be transferred for archival preservation in accordance with NRS 239.080 to 239.125, inclusive. Minutes of meetings closed pursuant to:
- (a) Paragraph (a) of subsection 1 of NRS 241.030 become public records when the public body determines that the matters discussed no longer require confidentiality and the person whose character, conduct, competence or health was considered has consented to their disclosure. That person is entitled to a copy of the minutes upon request whether or not they become public records.
- (b) Paragraph (b) of subsection 1 of NRS 241.030 become public records when the public body determines that the matters discussed no longer require confidentiality.
- (c) Paragraph (c) of subsection 1 of NRS 241.030 become public records when the public body determines that the matters considered no longer require confidentiality and the person who appealed the results of the examination has consented to their disclosure, except that the public body shall remove from the minutes any references to the real name of the person who appealed the results of the examination. That person is entitled to a copy of the minutes upon request whether or not they become public records.

- 3. All or part of any meeting of a public body may be recorded on audiotape or any other means of sound or video reproduction by a member of the general public if it is a public meeting so long as this in no way interferes with the conduct of the meeting.
- 4. Except as otherwise provided in subsection [6,] 7, a public body shall, for each of its meetings, whether public or closed, record the meeting on audiotape or another means of sound reproduction or cause the meeting to be transcribed by a court reporter who is certified pursuant to chapter 656 of NRS. If a public body makes an audio recording of a meeting or causes a meeting to be transcribed pursuant to this subsection, the audio recording or transcript:
- (a) Must be retained by the public body for at least 1 year after the adjournment of the meeting at which it was recorded or transcribed;
- (b) Except as otherwise provided in this section, is a public record and must be made available for inspection by the public during the time the recording or transcript is retained; and
  - (c) Must be made available to the Attorney General upon request.
- 5. The requirement set forth in subsection 2 that a public body make available a copy of the minutes or audio recording of a meeting to a member of the public upon request at no charge does not:
- (a) Prohibit a court reporter who is certified pursuant to chapter 656 of NRS from charging a fee to the public body for any services relating to the transcription of a meeting; or
- (b) Require a court reporter who transcribes a meeting to provide a copy of any transcript, minutes or audio recording of the meeting prepared by the court reporter to a member of the public at no charge.
- <u>6.</u> Except as otherwise provided in subsection [6,] <u>7.</u> any portion of a public meeting which is closed must also be recorded or transcribed and the recording or transcript must be retained and made available for inspection pursuant to the provisions of subsection <u>2</u> relating to records of closed meetings. Any recording or transcript made pursuant to this subsection must be made available to the Attorney General upon request.
- [6.] 7. If a public body makes a good faith effort to comply with the provisions of subsections 4 and [5] 6 but is prevented from doing so because of factors beyond the public body's reasonable control, including, without limitation, a power outage, a mechanical failure or other unforeseen event, such failure does not constitute a violation of the provisions of this chapter.
  - Sec. 6. NRS 1A.100 is hereby amended to read as follows:
- 1A.100 1. A system of retirement providing benefits for the retirement, disability or death of all justices of the Supreme Court and district judges, and certain justices of the peace and municipal judges, and funded on an actuarial reserve basis is hereby established and must be known as the Judicial Retirement System.
- 2. The System consists of the Judicial Retirement Plan and the provisions set forth in NRS 2.060 to 2.083, inclusive, and 3.090 to 3.099, inclusive, for

providing benefits to justices of the Supreme Court or district judges who served either as a justice of the Supreme Court or district judge before November 5, 2002. Each justice of the Supreme Court or district judge who is not a member of the Public Employees' Retirement System is a member of the Judicial Retirement System.

- 3. The official correspondence and records, other than the files of individual members of the System or retired justices or judges, and, except as otherwise provided in NRS 241.035, the minutes, audio recordings, transcripts and books of the System are public records and are available for public inspection. <u>FCopiesJ A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.</u>
- 4. The System must be administered exclusively by the Board, which shall make all necessary rules and regulations for the administration of the System. The rules must include, without limitation, rules relating to the administration of the retirement plans in accordance with federal law. The Legislature shall regularly review the System.
  - Sec. 7. NRS 19.013 is hereby amended to read as follows:
- 19.013 1. Except as otherwise provided by specific statute, each county clerk shall charge and collect the following fees:

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On the commencement of any action or proceeding	
in the district court, or on the transfer of any	
action or proceeding from a district court of	
another county, except probate or guardianship	
proceedings, to be paid by the party	
commencing the action, proceeding or transfer \$56.0	)0
On an appeal to the district court of any case from	
a justice court or a municipal court, or on the	
transfer of any case from a justice court or a	
municipal court	00
On the filing of a petition for letters testamentary,	
letters of administration, setting aside an estate	
without administration, or a guardianship,	
which fee includes the court fee prescribed by	
NRS 19.020, to be paid by the petitioner:	
Where the stated value of the estate is more	
than \$2,50072.0	00
Where the stated value of the estate is	
\$2,500 or less, no fee may be charged	
or collected.	
On the filing of a petition to contest any will or	
codicil, to be paid by the petitioner	00
On the filing of an objection or cross-petition to the	
appointment of an executor, administrator or	

guardian, or an objection to the settlement of

account or any answer in an estate or	
guardianship matter\$44.0	0
On the appearance of any defendant or any number	
of defendants answering jointly, to be paid	
upon the filing of the first paper in the action	
by the defendant or defendants	0
For filing a notice of appeal	0
For issuing a transcript of judgment and certifying	
thereto	0
For preparing any copy of any record, proceeding or	
paper, for each page, unless such fee is waived	
<i>by the county</i> clerk <del>[1.00] <i>[0.10] 0.50</i></del>	)
For each certificate of the clerk, under the seal of	
the court	0
For examining and certifying to a copy of any	
paper, record or proceeding prepared by	
another and presented for a certificate of the	
county clerk5.0	0
For filing all papers not otherwise provided for,	
other than papers filed in actions and	
proceedings in court and papers filed by public	
officers in their official capacity	0
For issuing any certificate under seal, not otherwise	
provided for6.0	0
For searching records or files in the office of the county	
clerk, for each year [ 1.00	}
<del>[, no fee may be charged or collected.]</del> , unless	
such fee is waived by the county clerk	0
For filing and recording a bond of a notary public,	
per name	0(
For entering the name of a firm or corporation in	
the register of the county clerk	0
Except as otherwise provided by specific statute, all fees prescribed in	n

- 2. Except as otherwise provided by specific statute, all fees prescribed in this section are payable in advance if demanded by the county clerk.
- 3. The fees set forth in subsection 1 are payment in full for all services rendered by the county clerk in the case for which the fees are paid, including the preparation of the judgment roll, but the fees do not include payment for typing, copying, certifying or exemplifying or authenticating copies.
- 4. No fee may be charged any attorney at law admitted to practice in this State for searching records or files in the office of the clerk. No fee may be charged for any services rendered to a defendant or the defendant's attorney in any criminal case or in habeas corpus proceedings.
- 5. Each county clerk shall, on or before the fifth day of each month, account for and pay to the county treasurer all fees collected during the preceding month.

- Sec. 8. NRS 244A.611 is hereby amended to read as follows:
- 244A.611 1. The board shall choose one of its members as chair and one of its members as vice chair, and shall elect a secretary and a treasurer, who may be members of the board. The secretary and the treasurer may be one person.
- 2. The secretary shall keep audio recordings or transcripts of all meetings and, in a well-bound book, a record of all of the proceedings of the board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the board. Except as otherwise provided in NRS 241.035, the minute book, audio recordings, transcripts and records must be open to the inspection of all owners of real property in the county as well as to all other interested persons, at all reasonable times and places. *[Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035*.
- 3. The treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the board and the county. The treasurer shall file with the county clerk, at county expense, a corporate fidelity bond in an amount not less than \$5,000, conditioned for the faithful performance of his or her duties.
  - Sec. 9. NRS 266.250 is hereby amended to read as follows:
- 266.250 1. The deliberations, sessions and proceedings of the city council must be public.
- 2. The city council shall keep written minutes and audio recordings or transcripts of its own proceedings as required pursuant to NRS 241.035. The yeas and nays must be taken upon the passage of all ordinances, and all propositions to create any liability against the city, or to grant, deny, increase, decrease, abolish or revoke licenses, and in all other cases at the request of any member of the city council or of the mayor, which yeas and nays must be entered in the minutes of its proceedings. \*\*FCopies\*\* A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 3. The affirmative vote of a majority of all the members elected to the city council is necessary to pass any such ordinance or proposition.
  - Sec. 10. NRS 278.290 is hereby amended to read as follows:
- 278.290 1. Meetings of the board must be held at the call of the chair and at such other times as the board may determine. The chair, or in his or her absence the acting chair, may administer oaths and compel the attendance of witnesses. All meetings of the board must be open to the public.
- 2. The board shall adopt rules in accordance with the provisions of any ordinance adopted pursuant to NRS 278.010 to 278.630, inclusive.
- 3. The board shall keep minutes of its proceedings, showing the vote of each member upon each question, or, if absent or failing to vote, indicating such fact, and audio recordings or transcripts of its proceedings, and shall keep records of its examinations and other official actions, all of which must

be filed immediately in the office of the board and, except as otherwise provided in NRS 241.035, are public records. <u>{Copies} A copy of the minutes</u> or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.

- Sec. 11. NRS 284.055 is hereby amended to read as follows:
- 284.055 1. The members of the Commission may meet at the times and places specified by the call of the Chair or a majority of the Commission, but a meeting of the Commission must be held regularly at least once every 3 months.
- 2. Three members of the Commission constitute a quorum. A quorum may exercise any power conferred on the Commission, but no regulations may be adopted, amended or rescinded except by a majority vote of the entire membership of the Commission.
- 3. The Commission shall keep minutes and audio recordings or transcripts of the transactions of each meeting. Except as otherwise provided in NRS 241.035, the minutes, audio recordings and transcripts are public records and must be filed with the Division. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
  - Sec. 12. NRS 286.110 is hereby amended to read as follows:
- 286.110 1. A system of retirement providing benefits for the retirement, disability or death of employees of public employers and funded on an actuarial reserve basis is hereby established and must be known as the Public Employees' Retirement System. The System is a public agency supported by administrative fees transferred from the retirement funds. The Executive and Legislative Departments of the State Government shall regularly review the System.
- 2. The System is entitled to use any services provided to state agencies and shall use the services of the Purchasing Division of the Department of Administration, but is not required to use any other service. The purpose of this subsection is to provide to the Board the necessary autonomy for an efficient and economic administration of the System and its program.
- 3. The official correspondence and records, other than the files of individual members or retired employees, and, except as otherwise provided in NRS 241.035, the minutes, audio recordings, transcripts and books of the System are public records and are available for public inspection. *[Copies]* A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 4. The respective participating public employers are not liable for any obligation of the System.
  - Sec. 13. NRS 287.0438 is hereby amended to read as follows:
- 287.0438 Except for the files of individual members and former members, the correspondence, files, minutes, audio recordings, transcripts and books of the Program are, except as otherwise provided in NRS 241.035, public records. <u>FCopies</u> <u>A copy of the minutes or audio recordings must be</u>

made available to a member of the public upon request at no charge pursuant to NRS 241.035.

Sec. 14. NRS 318.085 is hereby amended to read as follows:

318.085 Except as otherwise provided in NRS 318.0953 and 318.09533:

- 1. After taking oaths and filing bonds, the board shall choose one of its members as chair of the board and president of the district, and shall elect a secretary and a treasurer of the board and of the district, who may or may not be members of the board. The secretary and the treasurer may be one person.
  - 2. The board shall adopt a seal.
- 3. The secretary shall keep audio recordings or transcripts of all meetings and, in a well-bound book, a record of all of the board's proceedings, minutes of all meetings, any certificates, contracts, bonds given by employees and all corporate acts. Except as otherwise provided in NRS 241.035, the book, audio recordings, transcripts and records must be open to inspection of all owners of real property in the district as well as to all other interested persons. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 4. The treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the district in permanent records. The treasurer shall file with the county clerk, at the expense of the district, a corporate surety bond in an amount not more than \$50,000, the form and exact amount thereof to be approved and determined, respectively, by the board of county commissioners, conditioned for the faithful performance of the duties of his or her office. Any other officer or trustee who actually receives or disburses money of the district shall furnish a bond as provided in this subsection. The board of county commissioners may, upon good cause shown, increase or decrease the amount of that bond.
- 5. Except as otherwise provided in this subsection, each member of a board of trustees of a district organized or reorganized pursuant to this chapter may receive as compensation for his or her service not more than \$6,000 per year. Each member of a board of trustees of a district that is organized or reorganized pursuant to this chapter and which is granted the powers set forth in NRS 318.140, 318.142 and 318.144 may receive as compensation for his or her service not more than \$9,000 per year. The compensation of the members of a board is payable monthly, if the budget is adequate and a majority of the members of the board vote in favor of such compensation, but no member of the board may receive any other compensation for his or her service to the district as an employee or otherwise. Each member of the board must receive the same amount of compensation. If a majority of the members of the board vote in favor of an increase in the compensation of the trustees, the increase may not become effective until January 1 of the calendar year immediately following the next biennial election of the district as set forth in NRS 318.095.
  - Sec. 15. NRS 361.365 is hereby amended to read as follows:

- 361.365 1. Each county board of equalization shall, at the expense of the county, cause complete minutes and an audio recording or transcript to be taken at each hearing. In addition to the requirements of NRS 241.035, these minutes must include the title of all exhibits, papers, reports and other documentary evidence submitted to the county board of equalization by the complainant. The clerk of the county board of equalization shall forward the minutes and audio recordings or transcripts to the Secretary of the State Board of Equalization. Feoples A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 2. If a transcript of any hearing held before the county board of equalization is requested by the complainant, he or she shall furnish the reporter, pay for the transcript and deliver a copy of the transcript to the clerk of the county board of equalization and the Secretary of the State Board of Equalization upon filing an appeal.
  - Sec. 16. NRS 384.070 is hereby amended to read as follows:
- 384.070 1. The Commission may establish and maintain an office in Virginia City, Storey County, Nevada, in which, except as otherwise provided in NRS 241.035, there must be at all times open to public inspection a complete record of applications for certificates of appropriateness and their disposition, minutes and audio recordings or transcripts of the Commission's meetings, and any regulations adopted by the Commission. *[Copies]* A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 2. The Commission shall maintain a library in the office for the purpose of guiding applicants in their design or embellishment of the exterior of their buildings, new or remodeled. The library must consist of, but not be limited to, documents, paintings, photographs, drawings and histories descriptive of the period which are deemed appropriate guidelines to the applicant. A card index system must also be made and maintained for reference to more comprehensive information in libraries other than the one maintained by the Commission.
  - Sec. 17. NRS 422.2369 is hereby amended to read as follows:
- 422.2369 1. Before adopting, amending or repealing any regulation for the administration of a program of public assistance or any other program for which the Division is responsible, the Administrator must give at least 30 days' notice of the intended action.
  - 2. The notice of intent to act upon a regulation must:
- (a) Include a statement of the need for and purpose of the proposed regulation, and either the terms or substance of the proposed regulation or a description of the subjects and issues involved, and of the time when, the place where and the manner in which interested persons may present their views thereon.

- (b) Include a statement identifying the entities that may be financially affected by the proposed regulation and the potential financial impact, if any, upon local government.
- (c) State each address at which the text of the proposed regulation may be inspected and copied.
- (d) Be mailed to all persons who have requested in writing that they be placed upon a mailing list, which must be kept by the Administrator for that purpose.
- 3. All interested persons must be afforded a reasonable opportunity to submit data, views or arguments upon a proposed regulation, orally or in writing. The Administrator shall consider fully all oral and written submissions relating to the proposed regulation.
- 4. The Administrator shall keep, retain and make available for public inspection written minutes and an audio recording or transcript of each public hearing held pursuant to this section in the manner provided in NRS 241.035. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 5. An objection to any regulation on the ground of noncompliance with the procedural requirements of this section may not be made more than 2 years after its effective date.
  - Sec. 18. NRS 422A.120 is hereby amended to read as follows:
- 422A.120 1. The members of the Board shall meet at least twice each calendar year to consider any issues related to public assistance and other programs for which the Division is responsible that may be of importance to members of the general public, the Governor or the Division, at such places as the Board, the Chair of the Board, the Administrator or the Director deems appropriate.
- 2. Four members of the Board constitute a quorum, and a quorum may exercise all the power and authority conferred on the Board.
  - 3. The Board shall:
- (a) At least 14 days before the date it holds a meeting, provide public notice of the date, time and location of the meeting, in addition to the notice required pursuant to NRS 241.020.
- (b) Keep minutes of all meetings of the Board, which must include records of testimony and written comments presented to the Board, and audio recordings or transcripts of all meetings of the Board and file the minutes and audio recordings or transcripts with the Division. Except as otherwise provided in NRS 241.035, the minutes and audio recordings or transcripts must be maintained as public records. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
  - Sec. 19. NRS 422A.190 is hereby amended to read as follows:
- 422A.190 1. Before adopting, amending or repealing any regulation for the administration of a program of public assistance or any other program for

which the Division is responsible, the Administrator must give at least 30 days' notice of the intended action.

- 2. The notice of intent to act upon a regulation must:
- (a) Include a statement of the need for and purpose of the proposed regulation, and either the terms or substance of the proposed regulation or a description of the subjects and issues involved, and of the time when, the place where and the manner in which interested persons may present their views thereon.
- (b) Include a statement identifying the entities that may be financially affected by the proposed regulation and the potential financial impact, if any, upon local government.
- (c) State each address at which the text of the proposed regulation may be inspected and copied.
- (d) Be mailed to all persons who have requested in writing that they be placed upon a mailing list, which must be kept by the Administrator for that purpose.
- 3. All interested persons must be afforded a reasonable opportunity to submit data, views or arguments upon a proposed regulation, orally or in writing. The Administrator shall consider fully all oral and written submissions relating to the proposed regulation.
- 4. The Administrator shall keep, retain and make available for public inspection written minutes and an audio recording or transcript of each public hearing held pursuant to this section in the manner provided in NRS 241.035. 

  [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 5. No objection to any regulation on the ground of noncompliance with the procedural requirements of this section may be made more than 2 years after its effective date.
  - Sec. 20. NRS 541.110 is hereby amended to read as follows:
- 541.110 1. Each director before entering upon his or her official duties shall take and subscribe to an oath, before a person authorized to administer oaths, that he or she will support the Constitutions of the United States and the State of Nevada and will honestly, faithfully and impartially perform the duties of the office.
- 2. Upon taking oath, the board shall choose one of their number chair of the board and president of the district, and shall elect some suitable person secretary of the board and of the district, who may or may not be a member of the board. The board shall adopt a seal and shall keep audio recordings or transcripts of all meetings and, in a well-bound book, a record of all its proceedings, minutes of all meetings, certificates, contracts, bonds given by employees and all corporate acts, which, except as otherwise provided in NRS 241.035, must be open to inspection of all owners of property in the district, as well as to all other interested persons. FCopiest A copy of the

minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.

- 3. Each member of the board is entitled to receive as compensation for his or her service such sum as may be ordered by the board, not in excess of the sum of \$80 per day and actual traveling expenses for each day spent attending meetings of the board or while engaged in official business under the order of the board.
  - Sec. 21. NRS 543.330 is hereby amended to read as follows:
- 543.330 1. The board shall meet in July of each year to organize and choose one of its members as chair of the board and president of the district, and elect a secretary of the board and of the district, who may or may not be a member of the board.
  - 2. The county treasurer is the treasurer of the board and of the district.
- 3. The secretary shall keep audio recordings or transcripts of all meetings and, in a well-bound book, a record of all of the board's proceedings, minutes of all meetings, certificates, contracts, bonds given by employees, and all corporate acts, which, except as otherwise provided in NRS 241.035, must be open to inspection by all owners of real property in the district as well as other interested persons. *[Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035*.
- 4. The treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the district in permanent records.
- 5. No member of the board may receive compensation for the member's services, but members may be reimbursed for their necessary expenses in attending district meetings and for necessary expenses incurred in traveling within and without the State when required to carry out the affairs of the district.
  - Sec. 22. NRS 561.095 is hereby amended to read as follows:
- 561.095 1. The members of the Board may meet at such times and at such places as may be specified by the call of the Chair or a majority of the Board, and a meeting of the Board may be held regularly at least once every 3 months. In case of an emergency, special meetings may be called by the Chair or by the Director.
- 2. Six members of the Board constitute a quorum. A quorum may exercise all the authority conferred on the Board.
- 3. Minutes and audio recordings or transcripts of each meeting, regular or special, must be filed with the Department and, except as otherwise provided in NRS 241.035, are public records. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
  - Sec. 23. NRS 590.505 is hereby amended to read as follows:
- 590.505 1. The Board may adopt a seal for its own use which must have imprinted thereon the words "Board for the Regulation of Liquefied

Petroleum Gas." The care and custody of the seal is the responsibility of the Secretary-Treasurer of the Board.

- 2. The Board may appoint an Executive Secretary and may employ or, pursuant to NRS 333.700, contract with such other technical, clerical or investigative personnel as it deems necessary. The Board shall fix the compensation of the Executive Secretary and all other employees and independent contractors. Such compensation must be paid out of the money of the Board. The Board may require the Executive Secretary and any other employees and independent contractors to give a bond to the Board for the faithful performance of their duties, the premiums on the bond being paid out of the money of the Board.
- 3. In carrying out the provisions of NRS 590.465 to 590.645, inclusive, and holding its regular or special meetings, the Board:
- (a) Shall adopt written policies setting forth procedures and methods of operation for the Board.
  - (b) May adopt such regulations as it deems necessary.
- 4. The Board shall submit to the Legislature and the Governor a biennial report before September 1 of each even-numbered year, covering the biennium ending June 30 of that year, of its transactions during the preceding biennium, including a complete statement of the receipts and expenditures of the Board during the period and any complaints received by the Board.
- 5. The Board shall keep accurate records, minutes and audio recordings or transcripts of all meetings and, except as otherwise provided in NRS 241.035, the records, minutes, audio recordings and transcripts so kept must be open to public inspection at all reasonable times. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035. The Board shall also keep a record of all applications for licenses and licenses issued by it. The record of applications and licenses is a public record.
- Sec. 24. Section 7 of the Airport Authority Act for Battle Mountain, being chapter 458, Statutes of Nevada 1983, as amended by chapter 373, Statutes of Nevada 2005, at page 1417, is hereby amended to read as follows:
  - Sec. 7. 1. The Board shall elect a Chair, Vice Chair, Secretary and Treasurer, who must be members of the Board. The Secretary and the Treasurer may be one person. The terms of the officers expire on the date their successors are elected and qualified in the general election.
  - 2. The Secretary shall keep audio recordings or transcripts of all meetings of the Board and, in a well-bound book, a record of all of the proceedings of the Board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the Board. Except as otherwise provided in NRS 241.035, the minute book, audio recordings, transcripts and records must be open to the inspection of all interested persons, at all reasonable times and places. [Copies] A copy of the minutes or audio recordings must be made available to a

member of the public upon request at no charge pursuant to NRS 241.035.

- 3. The Treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board and the Authority. The Treasurer shall file with the County Clerk, at Authority expense, a corporate fidelity bond in an amount not less than \$25,000, conditioned for the faithful performance of his or her duties.
- Sec. 25. Section 6 of the Airport Authority Act for Carson City, being chapter 844, Statutes of Nevada 1989, as amended by chapter 373, Statutes of Nevada 2005, at page 1417, is hereby amended to read as follows:
  - Sec. 6. 1. The Board shall elect a Chair, Vice Chair, Secretary and Treasurer from its members. The Secretary and the Treasurer may be one person. The terms of the officers expire on July 1 of each odd-numbered year.
  - 2. The Secretary shall keep audio recordings or transcripts of all meetings of the Board and a record of all of the proceedings of the Board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the Board. Except as otherwise provided in NRS 241.035, the records must be open to the inspection of all interested persons, at a reasonable time and place. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
  - 3. The Treasurer shall keep an accurate account of all money received by and disbursed on behalf of the Board and the Authority. The Treasurer shall file with the Clerk of Carson City, at the expense of the Authority, a fidelity bond in an amount not less than \$10,000, conditioned for the faithful performance of his or her duties.
- Sec. 26. Section 7 of the Reno-Tahoe Airport Authority Act, being chapter 474, Statutes of Nevada 1977, as last amended by chapter 373, Statutes of Nevada 2005, at page 1418, is hereby amended to read as follows:
  - Sec. 7. 1. The Board shall choose one of its members as Chair and one of its members as Vice Chair, and shall elect a Secretary and a Treasurer, who may be members of the Board. The Secretary and the Treasurer may be one person. The terms of the officers expire on July 1 of each year.
  - 2. Chairs must be selected from trustees appointed by the participating local governments in the following order:
    - (a) The City of Reno;
    - (b) The City of Sparks;
    - (c) Washoe County; and
    - (d) The County Fair and Recreation Board of Washoe County.
  - 3. The Secretary shall keep audio recordings or transcripts of all meetings of the Board and, in a well-bound book, a record of all of the

proceedings of the Board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the Board. Except as otherwise provided in NRS 241.035, the minute book, audio recordings, transcripts and records must be open to the inspection of all interested persons, at all reasonable times and places. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.

- 4. The Treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board and the Authority. The Treasurer shall file with the County Clerk, at Authority expense, a corporate fidelity bond in an amount not less than \$25,000, conditioned for the faithful performance of his or her duties.
- Sec. 27. Section 9.5 of the Reno-Tahoe Airport Authority Act, being chapter 474, Statutes of Nevada 1977, as added by chapter 369, Statutes of Nevada 2005, at page 1386, is hereby amended to read as follows:
  - Sec. 9.5. 1. Except as otherwise determined by the Board or provided in subsection 2, the provisions of any law requiring public bidding or otherwise imposing requirements on any public contract, project, acquisition, works or improvements, including, without limitation, the provisions of chapters 332, 338 and 339 of NRS, do not apply to any contract entered into by the Board if the Board:
    - (a) Complies with the provisions of subsection 3; and
  - (b) Finances the contract, project, acquisition, works or improvement by means of:
    - (1) Revenue bonds issued by the Authority; or
  - (2) An installment obligation of the Authority in a transaction in which:
  - (I) The Authority acquires real or personal property and another person acquires or retains a security interest in that or other property; and
  - (II) The obligation by its terms is extinguished by failure of the Board to appropriate money for the ensuing fiscal year for payment of the amounts then due.
  - 2. A contract entered into by the Board pursuant to this section must:
  - (a) Contain a provision stating that the requirements of NRS 338.010 to 338.090, inclusive, apply to any construction work performed pursuant to the contract; and
  - (b) If the contract is with a design professional who is not a member of a design-build team, comply with the provisions of NRS 338.155. As used in this paragraph, "design professional" has the meaning ascribed to it in subsection 7 of NRS 338.010.

- 3. For contracts entered into pursuant to this section that are exempt from the provisions of chapters 332, 338 and 339 of NRS pursuant to subsection 1, the Board shall adopt regulations pursuant to subsection 4 which establish:
- (a) One or more competitive procurement processes for letting such a contract; and
- (b) A method by which a bid on such a contract will be adjusted to give a 5 percent preference to a contractor who would qualify for a preference pursuant to NRS 338.147, if:
  - (1) The estimated cost of the contract exceeds \$250,000; and
- (2) Price is a factor in determining the successful bid on the contract.
  - 4. The Board:
- (a) Shall, before adopting, amending or repealing a permanent or temporary regulation pursuant to subsection 3, give at least 30 days' notice of its intended action. The notice must:
  - (1) Include:
- (I) A statement of the need for and purpose of the proposed regulation.
- (II) Either the terms or substance of the proposed regulation or a description of the subjects and issues involved.
- (III) The estimated cost to the Board for enforcement of the proposed regulation.
- (IV) The time when, the place where and the manner in which interested persons may present their views regarding the proposed regulation.
- (V) A statement indicating whether the regulation establishes a new fee or increases an existing fee.
- (2) State each address at which the text of the proposed regulation may be inspected and copied.
- (3) Be mailed to all persons who have requested in writing that they be placed upon a mailing list, which must be kept by the Authority for that purpose.
- (b) May adopt, if it has adopted a temporary regulation after notice and the opportunity for a hearing as provided in this subsection, after providing a second notice and the opportunity for a hearing, a permanent regulation.
- (c) Shall, in addition to distributing the notice to each recipient of the Board's regulations, solicit comment generally from the public and from businesses to be affected by the proposed regulation.
- (d) Shall, before conducting a workshop pursuant to paragraph (g), determine whether the proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business. If

the Board determines that such an impact is likely to occur, the Board shall:

- (1) Insofar as practicable, consult with owners and officers of small businesses that are likely to be affected by the proposed regulation.
- (2) Consider methods to reduce the impact of the proposed regulation on small businesses.
- (3) Prepare a small business impact statement and make copies of the statement available to the public at the workshop conducted pursuant to paragraph (g) and the public hearing held pursuant to paragraph (h).
- (e) Shall ensure that a small business impact statement prepared pursuant to subparagraph (3) of paragraph (d) sets forth the following information:
- (1) A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.
- (2) The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:
  - (I) Both adverse and beneficial effects; and
  - (II) Both direct and indirect effects.
- (3) A description of the methods that the Board considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the Board actually used any of those methods.
- (4) The estimated cost to the Board for enforcement of the proposed regulation.
- (5) If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the Board expects to collect and the manner in which the money will be used.
- (f) Shall afford a reasonable opportunity for all interested persons to submit data, views or arguments upon the proposed regulation, orally or in writing.
- (g) Shall, before holding a public hearing pursuant to paragraph (h), conduct at least one workshop to solicit comments from interested persons on the proposed regulation. Not less than 15 days before the workshop, the Board shall provide notice of the time and place set for the workshop:
- (1) In writing to each person who has requested to be placed on a mailing list; and
- (2) In any other manner reasonably calculated to provide such notice to the general public and any business that may be affected by a

proposed regulation which addresses the general topics to be considered at the workshop.

- (h) Shall set a time and place for an oral public hearing, but if no one appears who will be directly affected by the proposed regulation and requests an oral hearing, the Board may proceed immediately to act upon any written submissions. The Board shall consider fully all written and oral submissions respecting the proposed regulation.
- (i) Shall keep, retain and make available for public inspection written minutes of each public hearing held pursuant to paragraph (h) in the manner provided in subsections 1 and 2 of NRS 241.035. [Copies] A copy of the minutes must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- (j) May record each public hearing held pursuant to paragraph (h) and make those recordings available for public inspection in the manner provided in subsection 4 of NRS 241.035. [Copies] A copy of the audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- (k) Shall ensure that a small business which is aggrieved by a regulation adopted pursuant to this subsection may object to all or a part of the regulation by filing a petition with the Board within 90 days after the date on which the regulation was adopted. Such petition may be based on the following:
- (1) The Board failed to prepare a small business impact statement as required pursuant to subparagraph (3) of paragraph (d); or
- (2) The small business impact statement prepared by the Board did not consider or significantly underestimated the economic effect of the regulation on small businesses.
- → After receiving a petition pursuant to this paragraph, the Board shall determine whether the petition has merit. If the Board determines that the petition has merit, the Board may, pursuant to this subsection, take action to amend the regulation to which the small business objected.
- 5. The determinations made by the Board pursuant to this section are conclusive unless it is shown that the Board acted with fraud or a gross abuse of discretion.
- Sec. 28. Section 9 of the Elko Convention and Visitors Authority Act, being chapter 227, Statutes of Nevada 1975, as last amended by chapter 373, Statutes of Nevada 2005, at page 1418, is hereby amended to read as follows:
  - Sec. 9. 1. The Board shall adopt a seal, establish a principal place of business and adopt, and thereafter from time to time amend, if necessary, appropriate rules and regulations not inconsistent with this act for carrying on the business and affairs of the Board and of the Authority. Each member shall, upon election or acceptance of his or

her appointment, file with the Clerk of Elko County his or her oath of office.

- 2. No member may receive any compensation as an employee of the Board or otherwise, and a member of the Board shall not be interested in any contract or transaction with the Board except in his or her official representative capacity.
- 3. At the first meeting of the Board following each general authority election, the Board shall choose one of its members as Chair and one of its members as Vice Chair, and shall appoint or hire a Secretary and a Treasurer, who must not be members of the Board. The Secretary and Treasurer may not be one person.
- 4. The Secretary shall keep audio recordings or transcripts of all meetings of the Board and a record of all of the proceedings of the Board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the Board. Except as otherwise provided in NRS 241.035, the minute book, audio recordings, transcripts and records are open to the inspection of all interested persons, at all reasonable times and places. [Copies] A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
- 5. The Treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board. The Treasurer shall file with the County Clerk, at the Authority's expense, a corporate fidelity bond in an amount not less than \$5,000, conditioned on the faithful performance of the duties of the Treasurer.
- 6. The Board shall appoint the Elko County Treasurer and Auditor to act as Treasurer and Auditor of the Authority. The Treasurer and Auditor may employ such persons as are necessary to carry out the duties of the Treasurer and Auditor of the Authority. The Board shall determine the salary of each person employed pursuant to this subsection. The salaries and expenses of the employees must be paid by the Board from the money of the Authority.
- 7. The Board shall meet regularly at a time and in a place to be designated by it. Special meetings may be held as often as the needs of the Board require, on notice to each Board member.
- 8. The Board may require from an officer or employee of the Authority, except a member of the Board, sufficient security for the faithful and honest performance of his or her duties. A blanket fidelity bond or blanket position bond, or other type of bond suitable for public employees or officers, may be furnished at the expense of the Authority for an officer or employee of the Authority, in an amount set by the Board and conditioned on the faithful and honest performance of his or her duties.

- Sec. 29. Section 4 of the Nevada Commission for the Reconstruction of the V & T Railway Act of 1993, being chapter 566, Statutes of Nevada 1993, as last amended by chapter 373, Statutes of Nevada 2005, at page 1419, is hereby amended to read as follows:
  - Sec. 4. 1. Each commissioner appointed pursuant to paragraph (b), (c), (d) or (e) of subsection 1 of section 3 of this act shall file his or her oath of office with the clerk of the county from which the commissioner was appointed, and all other commissioners shall file their oaths of office with the Clerk of Carson City.
  - 2. The commissioners must serve without compensation, but a commissioner may be reimbursed for expenses actually incurred for travel authorized by the Commission.
  - 3. The Commission shall elect a Chair, Vice Chair, Secretary and Treasurer from among its members. The Secretary and the Treasurer may be one person. The terms of the officers expire on July 1 of each odd-numbered year.
  - 4. The Secretary shall maintain audio recordings or transcripts of all meetings of the Commission and a record of all of the proceedings of the Commission, minutes of all meetings, certificates, contracts and other acts of the Commission. Except as otherwise provided in NRS 241.035, the records must be open to the inspection of all interested persons at a reasonable time and place. <u>FCopies</u> A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.
  - 5. The Treasurer shall keep an accurate account of all money received by and disbursed on behalf of the Commission. The Treasurer shall file with the Clerk of Carson City, at the expense of the Commission, a fidelity bond in an amount not less than \$10,000, conditioned for the faithful performance of his or her duties.
- Sec. 30. Section 27 of the Western Regional Water Commission Act, being chapter 531, Statutes of Nevada 2007, at page 3291, is hereby amended to read as follows:
  - Sec. 27. 1. The Board shall elect one of its members as Chair and one of its members as Vice Chair, and shall elect a Secretary and a Treasurer, who may be members of the Board. The Secretary and the Treasurer may be the same person. The terms of the officers expire on December 31 of each year.
  - 2. The Secretary shall keep audio recordings or transcripts of all meetings of the Board and, in a well-bound book, a record of all the proceedings of the Board, minutes of all meetings, certificates, contracts, bonds given by employees and all other acts of the Board. Except as otherwise provided in NRS 241.035, the minute book, audio recordings, transcripts and records must be open to the inspection of all interested persons, at all reasonable times and places. [Copies] A copy of the minutes or audio recordings must be made available to a

member of the public upon request at no charge pursuant to NRS 241.035.

3. The Treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board and the Regional Water Commission.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 255 to Senate Bill No. 74 strikes the word "immediately" from the bill regarding fulfillment of requests for public records which cannot be made immediately available. It clarifies that "a copy" of the minutes or an audio recording of a public meeting must be made available to a member of the public upon request. The amendment also sets the per-page fee for copies of certain public records at 50 cents. Finally, it authorizes a county clerk to waive fees charged for searching records or files.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 94.

Bill read second time.

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

Amendment No. 325.

"SUMMARY—Revises provisions governing certain loans. (BDR 52-581)"

"AN ACT relating to financial services; authorizing a high-interest loan service to charge a late fee on a loan in default under certain circumstances; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law establishes certain limitations on the amounts that a check-cashing service, deferred deposit loan service, high-interest loan service or title loan service may charge after a customer defaults on a loan. (NRS 604A.485) This bill authorizes a high-interest loan service to charge not more than [\$10,] \$25, payable on a one-time basis, on any loan that remains unpaid 10 days or more after the date of default.

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

Section 1. Chapter 604A of NRS is hereby amended by adding thereto a new section to read as follows:

In addition to the amounts authorized to be collected pursuant to NRS 604A.485, a high-interest loan service may charge a fee of not more than  $\frac{\$10,1}{\$25}$  payable on a one-time basis, on any loan that remains unpaid 10 days or more after the date of default.

Sec. 2. NRS 604A.407 is hereby amended to read as follows:

604A.407 1. Except as otherwise provided in this section, for the purposes of determining whether a loan is a high-interest loan, when determining whether a lender is charging an annual percentage rate of more than 40 percent, calculations must be made in accordance with the Truth in

Lending Act and Regulation Z, except that every charge or fee, regardless of the name given to the charge or fee, payable directly or indirectly by the customer and imposed directly or indirectly by the lender must be included in calculating the annual percentage rate, including, without limitation:

- (a) Interest;
- (b) Application fees, regardless of whether such fees are charged to all applicants or credit is actually extended;
- (c) Fees charged for participation in a credit plan, whether assessed on an annual, periodic or nonperiodic basis; and
  - (d) Prepaid finance charges.
- 2. The following charges and fees must be excluded from the calculation of the annual percentage rate pursuant to subsection 1:
- (a) Any fees allowed pursuant to NRS 604A.490 or 675.365 for a check not paid upon presentment or an electronic transfer of money that fails;
- (b) Interest accrued after default pursuant to paragraph (c) of subsection 1 of NRS 604A.485;
- (c) Charges for an unanticipated late payment, exceeding a credit limit, or a delinquency, default or similar occurrence; [and]
- (d) Any premiums or identifiable charges for insurance permitted pursuant to NRS 675.300 [...]; and
  - (e) The fee allowed pursuant to section 1 of this act.
- 3. Calculation of the annual percentage rate in the manner specified in this section is limited only to the determination of whether a loan is a high-interest loan and must not be used in compliance with the disclosure requirements of paragraph (g) of subsection 2 of NRS 604A.410 or any other provisions of this chapter requiring disclosure of an annual percentage rate in the making of a loan.
  - Sec. 3. NRS 604A.485 is hereby amended to read as follows:
- 604A.485 1. If a customer defaults on a loan or on any extension or repayment plan relating to the loan, whichever is later, the licensee may collect only the following amounts from the customer, less all payments made before and after default:
  - (a) The unpaid principal amount of the loan.
- (b) The unpaid interest, if any, accrued before the default at the annual percentage rate set forth in the disclosure statement required by the Truth in Lending Act and Regulation Z that is provided to the customer. If there is an extension, in writing and signed by the customer, relating to the loan, the licensee may charge and collect interest pursuant to this paragraph for a period not to exceed 60 days after the expiration of the initial loan period, unless otherwise allowed by NRS 604A.480.
- (c) The interest accrued after the expiration of the initial loan period or after any extension or repayment plan that is allowed pursuant to this chapter, whichever is later, at an annual percentage rate not to exceed the prime rate at the largest bank in Nevada, as ascertained by the Commissioner, on January 1 or July 1, as the case may be, immediately preceding the expiration

of the initial loan period, plus 10 percent. The licensee may charge and collect interest pursuant to this paragraph for a period not to exceed 90 days. After that period, the licensee shall not charge or collect any interest on the loan.

- (d) Any fees allowed pursuant to NRS 604A.490 for a check that is not paid upon presentment or an electronic transfer of money that fails because the account of the customer contains insufficient funds or has been closed.
- The sum of all amounts collected pursuant to paragraphs (b), (c) and (d) must not exceed the principal amount of the loan.
- 2. Except for the interest and fees permitted pursuant to subsection 1 and any other charges expressly permitted pursuant to NRS 604A.430, 604A.445 and 604A.475, and section 1 of this act, the licensee shall not charge any other amount to a customer, including, without limitation, any amount or charge payable directly or indirectly by the customer and imposed directly or indirectly by the licensee as an incident to or as a condition of the extension of the period for the payment of the loan or the extension of credit. Such prohibited amounts include, without limitation:
- (a) Any interest, other than the interest charged pursuant to subsection 1, regardless of the name given to the interest; or
- (b) Any origination fees, set-up fees, collection fees, transaction fees, negotiation fees, handling fees, processing fees, late fees, default fees or any other fees, regardless of the name given to the fee.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 325 to Senate Bill No. 94 changes the amount to \$25 that can be charged by a high-interest loan service, payable on a one-time basis, on any loan that remains unpaid ten days or more after the date of default.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 101.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 26.

"SUMMARY—Revises provisions relating to departments of alternative sentencing. (BDR 16-464)"

"AN ACT relating to departments of alternative sentencing; authorizing a department of alternative sentencing to supervise certain persons who are released from custody before trial or sentencing; revising the qualifications of the chief of a department of alternative sentencing; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes the governing body of each county or city to create a department of alternative sentencing for the purposes of supervising certain persons convicted of misdemeanors and serving suspended sentences or

terms of residential confinement. (Chapter 211A of NRS) This bill: (1) authorizes a department of alternative sentencing to supervise persons charged with or convicted of misdemeanors, gross misdemeanors or felonies who have been released from custody before trial or sentencing, subject to the conditions imposed by the court; [and] (2) provides that such persons are generally subject to the same statutory provisions as the other persons currently supervised by a department of alternative sentencing [-]; and (3) revises the qualifications of the chief of a department of alternative sentencing to include experience in pretrial or presentence release.

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

Section 1. Chapter 211A of NRS is hereby amended by adding thereto a new section to read as follows:

"Supervised releasee" means a person who has been charged with or convicted of a misdemeanor, gross misdemeanor or felony and who has been released from custody before trial or sentencing, subject to the conditions imposed by the court.

Sec. 1.3. NRS 211A.010 is hereby amended to read as follows:

211A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 211A.020 to 211A.070, inclusive, <u>and section 1 of this act</u> have the meanings ascribed to them in those sections.

[Section 1.] Sec. 1.7. NRS 211A.050 is hereby amended to read as follows:

- 211A.050 "Court" means a court having jurisdiction over a person who is charged with a misdemeanor  $\{\cdot,\cdot\}$ , gross misdemeanor or felony.
  - Sec. 2. [NRS 211A.070 is hereby amended to read as follows:
  - 211A.070 "Probationer" means a person who [has]:
  - 1. Has been convicted of a misdemeanor [] and who:
- [1.]—(a)—Has had his or her sentence suspended pursuant to NRS 4.373 or 5.055, and is serving that suspended sentence; or
- [2.]-(b) Has been sentenced to a term of residential confinement pursuant to NRS 4.3762 or 5.076, and is serving that term of residential confinement [.]: or
- 2. Has been charged with or convicted of a misdemeanor, gross misdemeanor or felony and who has been released from custody before trial or sentencing, subject to the conditions imposed by the court.] (Deleted by amendment.)
  - Sec. 3. NRS 211A.080 is hereby amended to read as follows:
- 211A.080 The governing body of each county or city may create a department of alternative sentencing to provide a program of supervision for probationers [.] and supervised releasees in accordance with any conditions imposed by the court.
  - Sec. 4. NRS 211A.090 is hereby amended to read as follows:
  - 211A.090 The department: [shall:]

- 1. [Supervise] May supervise a probationer [,] or a supervised releasee who, as a condition of fpretrial or presentence release,] a suspended sentence [or] a sentence to residential confinement [,] or pretrial or presentence release, is released under the supervision of the department by the court.
- 2. [At] <u>Shall, at</u> the time a probationer <u>or a supervised releasee</u> is released under the supervision of the department:
- (a) Provide the probationer <u>or the supervised releasee</u> with a written statement describing the terms or conditions of the <u>fpretrial or presentence release.</u>] suspended sentence <u>, [or]</u> residential confinement <u>or pretrial or presentence release</u> imposed by the court; and
- (b) Explain the terms or conditions to the probationer [-] or the supervised releasee.
- 3. <del>[Be]</del> <u>Must be knowledgeable about the conduct and activities of each probationer <u>and supervised releasee</u> under the supervision of the department.</u>
- 4. [Use] <u>Shall use</u> all reasonable methods to assist a probationer <u>or a supervised releasee</u> under the supervision of the department to improve his or her conduct and comply with the terms or conditions of his or her <u>[pretrial or presentence release.]</u> suspended sentence , <u>[or]</u> residential confinement <u>[-]</u> or pretrial or presentence release.
- 5. [Collect] Shall collect and disburse any money in accordance with the orders of the court and make a written record of any money so collected or disbursed.
- 6. [Cooperate] <u>Shall cooperate</u> with and assist any agency of law enforcement and any agency providing social services as requested by the court, or as necessary to fulfill the duties of the department.
  - Sec. 4.5. NRS 211A.100 is hereby amended to read as follows:
  - 211A.100 The chief:
  - 1. Must be appointed by the action of a majority of the governing body.
- 2. Must have at least 5 years of experience, with an increasing level of responsibility, in the field of law enforcement, corrections or supervision of persons on probation, for parole or presentence release.
  - 3. Is in the unclassified service of the county.
  - Sec. 5. NRS 211A.110 is hereby amended to read as follows:
  - 211A.110 The chief shall:
- 1. Hire assistant alternative sentencing officers and other employees as necessary to carry out the responsibilities of the department within the limitations of appropriations to the department by the governing body.
  - 2. Direct the work of all assistants and employees.
  - 3. Be responsible for the fiscal affairs of the department.
- 4. Be responsible for the completion of any report regarding an investigation or the supervision of a probationer <u>or a supervised releasee</u> and any report requested by the court or the governing body.
- 5. After reviewing and considering recognized correctional programs and courses for training correctional staff, develop and provide to assistants and

other employees training in methods and policies regarding the investigation and supervision of probationers <u>[-]</u> and supervised releasees, the recordkeeping of the department and the reporting on matters relating to probationers <u>[-]</u> and supervised releasees.

- 6. Submit a written report, on or before January 31 of each year, to the governing body and to each court having jurisdiction over a probationer <u>or a supervised releasee</u> under the chief's supervision, setting forth in detail the activities of the department during the previous calendar year. The report must include statistical data concerning the department's activities and operations and the probationers <u>or the supervised releasees</u> who were under the supervision of the department during that period.
- 7. Advise the court of any probationer <u>or supervised releasee</u> who has violated the terms or conditions of his or her <u>[pretrial or presentence release,]</u> suspended sentence <u>, [or]</u> residential confinement <u>[-] or pretrial or presentence release.</u>
  - Sec. 6. NRS 211A.125 is hereby amended to read as follows:
- 211A.125 1. The chief or an assistant may arrest a probationer <u>or a supervised releasee</u> without a warrant if there is probable cause to believe that the probationer <u>or the supervised releasee</u> has committed an act that constitutes a violation of a condition of his or her <u>fpretrial or presentence release</u>, suspended sentence , <del>[or]</del> residential confinement <del>[-] or pretrial or presentence release</del>.
- 2. Any other peace officer may arrest a probationer <u>or a supervised releasee</u> upon receipt of a written order by a chief or an assistant stating that there is probable cause to believe that [a] <u>the</u> probationer <u>or the supervised releasee</u> has committed an act that constitutes a violation of a condition of his or her <u>fpretrial or presentence release</u>, suspended sentence <u>[or]</u> residential confinement [1] or pretrial or presentence release.
- 3. After making an arrest, the chief, assistant or other peace officer shall immediately notify the [sentencing] court of the arrest of the probationer or the supervised releasee and shall submit a written report setting forth the act that constituted a violation of a condition of the [pretrial or presentence release.] suspended sentence \_ [or] residential confinement or pretrial or presentence release of the probationer [-] or the supervised releasee.
- 4. A chief, an assistant or another peace officer may immediately release from custody without any further proceedings any probationer <u>or supervised releasee</u> arrested without a warrant pursuant to this section if the chief, assistant or other peace officer determines that there is not probable cause to believe that the person violated the condition of his or her <u>fpretrial or presentence release</u>, suspended sentence <u>[or]</u> residential confinement <u>[.]</u> or pretrial or presentence release.
  - Sec. 7. NRS 211A.127 is hereby amended to read as follows:
- 211A.127 1. If a probationer has violated a condition of his or her suspended sentence, the court may, upon its own motion or upon the report

and recommendation of the chief or an assistant, do any or all of the following:

- (a) Modify the conditions of the suspension of the sentence.
- (b) Modify and extend the suspension of the sentence, in whole or in part, for a period of not more than 1 year after the date on which the court finds that the probationer has committed the violation, unless a longer period is authorized by specific statute.
- (c) Revoke the suspension of the sentence, in whole or in part, and cause all or part of the sentence to be executed.
- 2. If a *fprobationer*] supervised releasee has violated a condition of his or her pretrial or presentence release, the court may, upon its own motion or upon the report and recommendation of the chief or an assistant, do any or all of the following:
  - (a) Modify the conditions of his or her pretrial or presentence release.
  - (b) Revoke his or her pretrial or presentencing release.
  - (c) Consider the violation at the time of sentencing.
- 3. Before taking any action described in subsection  $1 \frac{1}{5} or 2$ , the court shall provide the probationer <u>or the supervised releasee</u> with notice of the proposed action and an opportunity to be heard.
  - Sec. 8. NRS 211A.130 is hereby amended to read as follows:
- 211A.130 1. The governing body shall adopt a schedule of fees to be imposed on probationers <u>or supervised releases</u> to defray the cost of the supervision of a probationer <u>fig. or a supervised releasee</u>. The schedule adopted must provide for a monthly fee of not less than \$20 for the supervision of a probationer <u>fig. or a supervised releasee</u>.
  - 2. Except as otherwise provided in subsection 3:
- (a) The department shall charge each probationer <u>or supervised releasee</u> the fee set forth in the schedule adopted pursuant to subsection 1.
- (b) Payment of the required fee by the probationer <u>or the supervised releasee</u> is a condition of his or her <u>fpretrial or presentence release</u>, suspended sentence <u>, [or]</u> residential confinement <u>[,] or pretrial or presentence release</u>.
- 3. If the chief determines that payment of the fee would result in economic hardship to a probationer [-] or a supervised releasee, the chief may waive the imposition of, or reduce the amount of, the fee. If the chief waives the imposition of the fee, payment of the fee by the probationer or the supervised releasee does not constitute a condition of his or her [pretrial or presentence release.] suspended sentence [-[or]] residential confinement [-] or pretrial or presentence release.
  - Sec. 8.5. NRS 211A.140 is hereby amended to read as follows:
- 211A.140 1. Except as otherwise provided in NRS 239.0115, any information regarding a probationer <u>or a supervised releasee</u> obtained by the chief, an assistant or other employee of the department in the discharge of his or her duties shall be deemed confidential. Except as otherwise provided in

subsection 2, the chief, an assistant or other employee of the department shall not disclose such information.

- 2. The chief, an assistant or other employee of the department shall disclose information obtained in the discharge of his or her duties to the court or the district attorney upon request, or to any other person as ordered by the court or as provided by law.
  - Sec. 9. This act becomes effective on July 1, 2013.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Thank you, Mr. President pro Tempore. Amendment No. 26 to Senate Bill No. 101 adds the term "supervised release" and defines it to mean a person who has been charged with or convicted of a misdemeanor, gross misdemeanor or felony and who has been released from custody before trial or sentencing, subject to the conditions imposed by the court. It also revises the qualifications of the chief of a department of alternative sentencing to include experience in pretrial or presentencing release.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No 106

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 71.

"SUMMARY—Revises various provisions relating to judicial administration. (BDR 14-509)"

"AN ACT relating to judicial administration; revising provisions governing the collection of delinquent fines, administrative assessments, fees, restitution and other payments imposed in criminal and juvenile court proceedings; revising provisions governing the appointment of an attorney in juvenile court proceedings; [revising provisions concerning the approval or rejection of the recommendations of a master of the juvenile court;] authorizing a juvenile court to establish a restitution contribution fund; authorizing the waiver of all or part of any community service imposed by the juvenile court in exchange for a monetary contribution to a restitution contribution fund; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes a court to impose a collection fee for certain delinquent fines, administrative assessments, fees and restitution and authorizes the court to take certain actions to collect such delinquent payments. (NRS 176.064) Section 1 of this bill authorizes the court to enter a civil judgment for the amount of any unpaid fines, administrative assessments, fees and restitution imposed against a criminal defendant. Under section 1, the civil judgment may be enforced and renewed in the same manner as a judgment for money rendered in a civil action, and a person who is not indigent and who has not satisfied the civil judgment within a certain period may be punished for contempt. Section 1 also revises the purposes for which money collected from collection fees imposed by a

court may be used. Section 4 of this bill authorizes a juvenile court to impose the same collection fees for delinquent fines, administrative assessments, fees, restitution and certain other payments as a court may impose against a criminal defendant [-] pursuant to section 1. Section 4 authorizes a juvenile court to enter a civil judgment against a child or the parent or guardian of the child for any delinquent fines, administrative assessments, fees, restitution or other payments required in a juvenile court proceeding and authorizes the juvenile court to take certain actions if the juvenile court has entered such a civil judgment. Moreover, if the juvenile court has entered a civil judgment against a person who is not indigent and the juvenile court determines that the person has failed to make reasonable efforts to satisfy the civil judgment, section 4 authorizes the juvenile court to punish the person for contempt. Section 4 also provides that if a civil judgment entered by the juvenile court is unsatisfied and the person against whom the judgment is entered is convicted of a crime, the unsatisfied portion of the civil judgment must be included in the sentence for that crime.

Existing law requires a juvenile court to appoint an attorney to represent a child who is alleged to be delinquent or in need of supervision under certain circumstances. If the parent or guardian of a child for whom the juvenile court has appointed an attorney is not indigent, the parent or guardian is required to pay the reasonable fees and expenses of the attorney. If the parent or guardian of the child is indigent, the juvenile court may order the parent or guardian to reimburse the county or State in accordance with his or her ability to pay. (NRS 62D.030) Under section 7 of this bill, the juvenile court is required to find that the parent or guardian of a child is indigent if the parent or guardian: (1) receives public assistance, resides in public housing, has an income that is less than 200 percent of the federally designated poverty standard, is incarcerated or is housed in a public or private mental health facility; or (2) is financially unable, without substantial hardship to the parent or guardian or his or her dependents, to obtain qualified and competent legal counsel.

# E Section 5 of this bill revises the procedure by which a judge of the juvenile court approves or rejects the recommendations of a master of the juvenile court or directs a hearing de novo before the juvenile court.]

Section 9 of this bill authorizes a juvenile court to establish a restitution contribution fund. Under section 9, all expenditures from the restitution contribution fund: (1) must be authorized by the juvenile court; and (2) must provide restitution to victims of unlawful acts committed by children or, if the source of the money is a grant, gift, donation, bequest or devise, must be made in accordance with the terms of the grant, gift, donation, bequest or devise. Section 10 of this bill authorizes the juvenile court to waive all or part of any community service imposed against a child by the juvenile court upon good cause shown in exchange for a monetary contribution to the restitution contribution fund and requires the juvenile court to set forth in an administrative order that is available for public inspection a formula for

determining the amount of a contribution to the fund and the manner in which the contribution must be made. Section 6 of this bill authorizes an agreement for the informal supervision of a child to require the child to make a monetary contribution to a restitution contribution fund.

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

Section 1. NRS 176.064 is hereby amended to read as follows:

- 176.064 1. If a fine, administrative assessment, fee or restitution is imposed upon a defendant pursuant to this chapter, whether or not the fine, administrative assessment, fee or restitution is in addition to any other punishment, and the fine, administrative assessment, fee or restitution or any part of it remains unpaid after the time established by the court for its payment, the defendant is liable for a collection fee, to be imposed by the court at the time it finds that the fine, administrative assessment, fee or restitution is delinquent, of:
- (a) Not more than \$100, if the amount of the delinquency is less than \$2,000.
- (b) Not more than \$500, if the amount of the delinquency is \$2,000 or greater, but is less than \$5,000.
- (c) Ten percent of the amount of the delinquency, if the amount of the delinquency is \$5,000 or greater.
- 2. A state or local entity that is responsible for collecting a delinquent fine, administrative assessment, fee or restitution may, in addition to attempting to collect the fine, administrative assessment, fee or restitution through any other lawful means, take any or all of the following actions:
- (a) Report the delinquency to reporting agencies that assemble or evaluate information concerning credit.
  - (b) Request that the court take appropriate action pursuant to subsection 3.
- (c) Contract with a collection agency licensed pursuant to NRS 649.075 to collect the delinquent amount and the collection fee. The collection agency must be paid as compensation for its services an amount not greater than the amount of the collection fee imposed pursuant to subsection 1, in accordance with the provisions of the contract.
- 3. The court may, on its own motion or at the request of a state or local entity that is responsible for collecting the delinquent fine, administrative assessment, fee or restitution, take any or all of the following actions, in the following order of priority if practicable:
- (a) Enter a civil judgment for the amount due in favor of the state or local entity that is responsible for collecting the delinquent fine, administrative assessment, fee or restitution. A civil judgment entered pursuant to this paragraph may be enforced and renewed in the manner provided by law for the enforcement and renewal of a judgment for money rendered in a civil action. If the court has entered a civil judgment pursuant to this paragraph and the person against whom the judgment is entered is not indigent and has

not satisfied the judgment within the time established by the court, the person may be dealt with as for contempt of court.

- (b) Request that a prosecuting attorney undertake collection of the delinquency, including, without limitation, the original amount of the civil judgment entered pursuant to paragraph (a) and the collection fee, by attachment or garnishment of the defendant's property, wages or other money receivable.
- [(b)] (c) Order the suspension of the driver's license of the defendant. If the defendant does not possess a driver's license, the court may prohibit the defendant from applying for a driver's license for a specified period. If the defendant is already the subject of a court order suspending or delaying the issuance of the defendant's driver's license, the court may order the additional suspension or delay, as appropriate, to apply consecutively with the previous order. At the time the court issues an order suspending the driver's license of a defendant pursuant to this paragraph, the court shall require the defendant to surrender to the court all driver's licenses then held by the defendant. The court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles the licenses, together with a copy of the order. At the time the court issues an order pursuant to this paragraph delaying the ability of a defendant to apply for a driver's license, the court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles a copy of the order. The Department of Motor Vehicles shall report a suspension pursuant to this paragraph to an insurance company or its agent inquiring about the defendant's driving record, but such a suspension must not be considered for the purpose of rating or underwriting.
- $\frac{\{(e)\}}{(d)}$  for a delinquent fine or administrative assessment, order the confinement of the person in the appropriate prison, jail or detention facility, as provided in NRS 176.065 and 176.075.
- 4. Money collected from a collection fee imposed pursuant to subsection 1 must be distributed in the following manner:
- (a) Except as otherwise provided in paragraph (d), if the money is collected by or on behalf of a municipal court, the money must be deposited in a special fund in the appropriate city treasury. The city may use the money in the fund only to develop and implement a program for the collection of fines, administrative assessments, fees and restitution  $\frac{1}{1-1}$  and to hire additional personnel necessary for the success of such a program.
- (b) Except as otherwise provided in paragraph (d), if the money is collected by or on behalf of a justice court or district court, the money must be deposited in a special fund in the appropriate county treasury. The county may use the money in the special fund only to felevelop!
- (1) <u>Develop</u> and implement a program for the collection of fines, administrative assessments, fees and restitution [-] and to hire additional personnel necessary for the success of such a program; or
  - (2) Improve the operations of a court by providing funding for:

### (I) A civil law self-help center; or

- (II) Court security personnel and equipment for a regional justice center that includes the justice courts of that county.
- (c) Except as otherwise provided in paragraph (d), if the money is collected by a state entity, the money must be deposited in an account, which is hereby created in the State Treasury. The Court Administrator may use the money in the account only to develop and implement a program for the collection of fines, administrative assessments, fees and restitution in this State [-] and to hire additional personnel necessary for the success of such a program.
- (d) If the money is collected by a collection agency, after the collection agency has been paid its fee pursuant to the terms of the contract, any remaining money must be deposited in the state, city or county treasury, whichever is appropriate, to be used only for the purposes set forth in paragraph (a), (b) or (c) of this subsection.
  - Sec. 2. NRS 176.065 is hereby amended to read as follows:
- 176.065 1. Except as otherwise provided in subsection 2, when a person is sentenced to both fine and imprisonment, or to pay a forfeiture in addition to imprisonment, the court may, pursuant to NRS 176.064, or section 4 of this act, order that the person be confined in the state prison, the city or county jail or a detention facility, whichever is designated in the person's sentence of imprisonment, for an additional period of 1 day for each \$75 of the amount until the administrative assessment and the fine or forfeiture are satisfied or the maximum term of imprisonment prescribed by law for the offense committed has elapsed, whichever is earlier, but the person's eligibility for parole is governed only by the person's sentence of imprisonment.
  - 2. The provisions of this section do not apply to indigent persons.
  - Sec. 3. NRS 176.075 is hereby amended to read as follows:
- 176.075 1. Except as otherwise provided in subsection 2, when a person is sentenced to pay a fine or forfeiture without an accompanying sentence of imprisonment, the court may, pursuant to NRS 176.064, or section 4 of this act, order that the person be confined in the city or county jail or detention facility for a period of not more than 1 day for each \$75 of the amount until the administrative assessment and the fine or forfeiture are satisfied.
  - 2. The provisions of this section do not apply to indigent persons.
- Sec. 4. Chapter 62B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this subsection, if, pursuant to this title, a child or a parent or guardian of a child is ordered by the juvenile court to pay a fine, administrative assessment, fee or restitution or to make any other payment and the fine, administrative assessment, fee, restitution or other payment or any part of it remains unpaid after the time established by the juvenile court for its payment, the juvenile court may enter a civil

judgment against the child or the parent or guardian of the child for the amount due in favor of the victim, the state or local entity to whom the amount is owed or both. The juvenile court may not enter a civil judgment against a person who is a child unless the person has attained the age of 18 years, the person is a child who is determined to be outside the jurisdiction of the juvenile court pursuant to NRS 62B.330 or 62B.335 or the person is a child who is certified for proper criminal proceedings as an adult pursuant to NRS 62B.390.

- 2. Notwithstanding the termination of the jurisdiction of the juvenile court pursuant to NRS 62B.410 or the termination of any period of supervision or probation ordered by the juvenile court, the juvenile court retains jurisdiction over any civil judgment entered pursuant to subsection 1 and retains jurisdiction over the person against whom a civil judgment is entered pursuant to subsection 1. The juvenile court may supervise the civil judgment and take any of the actions authorized by the laws of this State.
- 3. A civil judgment entered pursuant to subsection 1 may be enforced and renewed in the manner provided by law for the enforcement and renewal of a judgment for money rendered in a civil action.
- 4. If the juvenile court enters a civil judgment pursuant to subsection 1, the person or persons against whom the judgment is issued is liable for a collection fee, to be imposed by the juvenile court at the time the civil judgment is issued, of:
  - (a) Not more than \$100, if the amount of the judgment is less than \$2,000.
- (b) Not more than \$500, if the amount of the judgment is \$2,000 or greater, but is less than \$5,000.
- (c) Ten percent of the amount of the judgment, if the amount of the judgment is \$5,000 or greater.
- 5. In addition to attempting to collect the judgment through any other lawful means, a victim, a representative of the victim or a state or local entity that is responsible for collecting a civil judgment entered pursuant to subsection 1 may take any or all of the following actions:
- (a) [Report] Except as otherwise provided in this paragraph, report the judgment to reporting agencies that assemble or evaluate information concerning credit. If the judgment was entered against a person who was less than 21 years of age at the time the judgment was entered, the judgment cannot be reported pursuant to this paragraph until the person reaches 21 years of age.
- (b) Request that the juvenile court take appropriate action pursuant to subsection 6.
- (c) Contract with a collection agency licensed pursuant to NRS 649.075 to collect the judgment and the collection fee. The collection agency must be paid as compensation for its services an amount not greater than the amount of the collection fee imposed pursuant to subsection 4, in accordance with the provisions of the contract.

- 6. If the juvenile court determines that a child or the parent or guardian of a child against whom a civil judgment has been entered pursuant to subsection 1 has failed to make reasonable efforts to satisfy the civil judgment, the juvenile court may take any of the following actions:
- (a) Order the suspension of the driver's license of a child for a period not to exceed 1 year. If the child is already the subject of a court order suspending the driver's license of the child, the juvenile court may order the additional suspension to apply consecutively with the previous order. At the time the juvenile court issues an order suspending the driver's license of a child pursuant to this paragraph, the juvenile court shall require the child to surrender to the juvenile court all driver's licenses then held by the child. The juvenile court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles the licenses, together with a copy of the order. The Department of Motor Vehicles shall report a suspension pursuant to this paragraph to an insurance company or its agent inquiring about the driving record of a child, but such a suspension must not be considered for the purpose of rating or underwriting.
- (b) If a child does not possess a driver's license, prohibit the child from applying for a driver's license for a period not to exceed 1 year. If the child is already the subject of a court order delaying the issuance of a license to drive, the juvenile court may order any additional delay in the ability of the child to apply for a driver's license to apply consecutively with the previous order. At the time the juvenile court issues an order pursuant to this paragraph delaying the ability of a child to apply for a driver's license, the juvenile court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles a copy of the order.
- (c) If the civil judgment was issued for a delinquent fine or administrative assessment, order the confinement of the person in the appropriate prison, jail or detention facility, as provided in NRS 176.065 and 176.075.
- (d) Enter a finding of contempt against a child or the parent or guardian of a child and punish the child or the parent or guardian for contempt in the manner provided in NRS 62E.040. A person who is indigent may not be punished for contempt pursuant to this subsection.
- 7. Money collected from a collection fee imposed pursuant to subsection 4 must be deposited and used in the manner set forth in subsection 4 of NRS 176.064.
- 8. If the juvenile court enters a civil judgment pursuant to subsection 1 and the person against whom the judgment is entered is convicted of a crime before he or she satisfies the civil judgment, the court sentencing the person for that crime shall include in the sentence the civil judgment or such portion of the civil judgment that remains unpaid.
- Sec. 5. [NRS 62B.030 is hereby amended to read as follows:
  62B.030 1. The juvenile court may order a master of the juvenile court

  0:

- (b) Take evidence.
- (e) Make findings of fact and recommendations.
- (d) Conduct all proceedings before the master of the juvenile court in the same manner as a district judge conducts proceedings in a district court.
- 2. Not later than 10 days after the evidence before a master of the juvenile court is closed, the master shall file with the juvenile court:
  - (a) All papers relating to the case;
  - (b) Written findings of fact: and
  - (e) Written recommendations.
- 3. A master of the juvenile court shall provide to the parent or guardian of the child, the attorney for the child, the district attorney, and any other person concerned, written notice of:
  - (a) The master's findings of fact;
  - (b) The master's recommendations;
  - (e) The right to object to the master's recommendations; and
- (d) The right to request a hearing de nove before the juvenile court as provided in subsection-[4.] 5.
- 4. After reviewing the recommendations of a master of the juvenile court and any objection to the master's recommendations, the judge of the juvenile court shall: | sien a written order to:
- (a) Approve the master's recommendations, in whole or in part, and order the recommended disposition: or
- (b) Reject the master's recommendations, in whole or in part, and order such relief as may be appropriate. [; or
  - (c) Direct al
- 5. An order issued pursuant to subsection 4 must provide notice that:
- (a) The approval or rejection of the master's recommendations will not become effective until 6 days after the master provides notice of the master's recommendations pursuant to subsection 3; and
- (b) A hearing de novo before the juvenile court may be ordered, and the master's recommendations will not be binding, if, not later than 5 days after the master provides notice of the master's recommendations, a person who is entitled to such notice files with the juvenile court a request for a hearing de novo before the juvenile court.
- [5.]-6. A recommendation of a master of the juvenile court is not effective until expressly approved by the juvenile court as evidenced by the signature of a judge of the juvenile court.] (Deleted by amendment.)
  - Sec. 6. NRS 62C.210 is hereby amended to read as follows:
- 62C.210 1. An agreement for informal supervision may require the child to:
- (a) Perform community service, [or] provide restitution to any victim of the acts for which the child was referred to the probation officer [:] or make a monetary contribution to a restitution contribution fund established pursuant to section 9 of this act;

- (b) Participate in a program of restitution through work that is established pursuant to NRS 62E.580 if the child:
  - (1) Is 14 years of age or older;
- (2) Has never been found to be within the purview of this title for an unlawful act that involved the use or threatened use of force or violence against a victim and has never been found to have committed such an unlawful act in any other jurisdiction, unless the probation officer determines that the child would benefit from the program;
  - (3) Is required to provide restitution to a victim; and
- (4) Voluntarily agrees to participate in the program of restitution through work;
- (c) Complete a program of cognitive training and human development pursuant to NRS 62E.220 if:
- (1) The child has never been found to be within the purview of this title; and
- (2) The unlawful act for which the child is found to be within the purview of this title did not involve the use or threatened use of force or violence against a victim; or
  - (d) Engage in any combination of the activities set forth in this subsection.
- 2. If the agreement for informal supervision requires the child to participate in a program of restitution through work or complete a program of cognitive training and human development, the agreement may also require any or all of the following, in the following order of priority if practicable:
- (a) The child or the parent or guardian of the child, or both, to the extent of their financial ability, to pay the costs associated with the participation of the child in the program, including, but not limited to:
- (1) A reasonable sum of money to pay for the cost of policies of insurance against liability for personal injury and damage to property during those periods in which the child participates in the program or performs work; and
- (2) In the case of a program of restitution through work, for industrial insurance, unless the industrial insurance is provided by the employer for which the child performs the work; or
- (b) The child to work on projects or perform community service for a period that reflects the costs associated with the participation of the child in the program.
  - Sec. 7. NRS 62D.030 is hereby amended to read as follows:
- 62D.030 1. If a child is alleged to be delinquent or in need of supervision, the juvenile court shall advise the child and the parent or guardian of the child that the child is entitled to be represented by an attorney at all stages of the proceedings.
- 2. If a parent or guardian of a child is indigent, the parent or guardian may request the appointment of an attorney to represent the child pursuant to the provisions in NRS 171.188.

- 3. Except as otherwise provided in this section, the juvenile court shall appoint an attorney for a child if the parent or guardian of the child does not retain an attorney for the child and is not likely to retain an attorney for the child.
  - 4. A child may waive the right to be represented by an attorney if:
- (a) A petition is not filed and the child is placed under informal supervision pursuant to NRS 62C.200; or
- (b) A petition is filed and the record of the juvenile court shows that the waiver of the right to be represented by an attorney is made knowingly, intelligently, voluntarily and in accordance with any applicable standards established by the juvenile court.
- 5. Except as otherwise provided in *subsection 6 and* NRS 424.085, if the juvenile court appoints an attorney to represent a child and:
- (a) The parent or guardian of the child is not indigent, the parent or guardian shall pay the reasonable fees and expenses of the attorney.
- (b) The parent or guardian of the child is indigent, the juvenile court may order the parent or guardian to reimburse the county or State in accordance with the ability of the parent or guardian to pay.
- 6. For the purposes of paragraph (b) of subsection 5, the juvenile court shall find that the parent or guardian of the child is indigent if:
  - (a) The parent or guardian:
    - (1) Receives public assistance, as that term is defined in NRS 422A.065;
    - (2) Resides in public housing, as that term is defined in NRS 315.021;
- (3) Has a household income that is less than 200 percent of the federally designated level signifying poverty;
- (4) Is incarcerated pursuant to a sentence imposed upon conviction of a crime; or
  - (5) Is housed in a public or private mental health facility; or
- (b) After considering the particular circumstances of the parent or guardian, including, without limitation, the seriousness of the charges against the child, the monthly expenses of the parent or guardian and the rates for attorneys in the area in which the juvenile court is located, the juvenile court determines that the parent or guardian is financially unable, without substantial hardship to the parent or guardian or his or her dependents, to obtain qualified and competent legal counsel.
- 7. Each attorney, other than a public defender, who is appointed under the provisions of this section is entitled to the same compensation and expenses from the county as is provided in NRS 7.125 and 7.135 for attorneys appointed to represent persons charged with criminal offenses.
- Sec. 8. Chapter 62E of NRS is hereby amended by adding thereto the provisions set forth as sections 9 and 10 of this act.
- Sec. 9. 1. The juvenile court may establish, with the county treasurer as custodian, a special fund to be known as the restitution contribution fund.

- 2. The juvenile court may apply for and accept grants, gifts, donations, bequests or devises which the director of juvenile services shall deposit with the county treasurer for credit to the fund.
- 3. The fund must be a separate and continuing fund, and no money in the fund reverts to the general fund of the county at any time. The interest earned on the money in the fund, after deducting any applicable charges, must be credited to the fund.
  - 4. The juvenile court shall:
- (a) Expend money from the fund only to provide restitution to a victim of an unlawful act committed by a child; and
- (b) If the source of the money is a grant, gift, donation, bequest or devise, expend the money, to the extent permitted by law, in accordance with the terms of the grant, gift, donation, bequest or devise.
- 5. The juvenile court must authorize any expenditure from the fund before it is made.
- Sec. 10. 1. If a juvenile court has established a restitution contribution fund pursuant to section 9 of this act:
- (a) In exchange for a monetary contribution to the restitution contribution fund, the juvenile court may, in its discretion [.] and upon good cause shown, waive all or part of any community service which the juvenile court has ordered a child to perform.
  - (b) The juvenile court shall set forth in a written administrative order:
- (1) A formula for determining the amount of the contribution to the restitution contribution fund pursuant to this section; and
  - (2) The manner in which the contribution must be made.
- → The juvenile court shall make available for public inspection the written administrative order described in this paragraph.
  - 2. The provisions of this section do not:
- (a) Create a right on behalf of a child to the waiver of all or part of any community service to be performed by the child in exchange for a monetary contribution to a restitution contribution fund established pursuant to section 9 of this act; or
- (b) Establish a basis for any cause of action against the State of Nevada or its officers or employees for denial of a waiver of all or part of any community service to be performed by a child in exchange for a monetary contribution to a restitution contribution fund established pursuant to section 9 of this act.
  - Sec. 11. NRS 62E.100 is hereby amended to read as follows:
- 62E.100 Except as otherwise provided in NRS 62E.100 to 62E.300, inclusive [:], and sections 9 and 10 of this act:
- 1. The provisions of NRS 62E.100 to 62E.300, inclusive, *and sections 9 and 10 of this act* apply to the disposition of a case involving any child who is found to be within the purview of this title.

- 2. In addition to any other orders or actions authorized or required by the provisions of this title, if a child is found to be within the purview of this title:
- (a) The juvenile court may issue any orders or take any actions set forth in NRS 62E.100 to 62E.300, inclusive, *and sections 9 and 10 of this act* that the juvenile court deems proper for the disposition of the case; and
- (b) If required by a specific statute, the juvenile court shall issue the appropriate orders or take the appropriate actions set forth in the statute.
  - Sec. 12. NRS 483.443 is hereby amended to read as follows:
- 483.443 1. The Department shall, upon receiving notification from a district attorney or other public agency collecting support for children pursuant to NRS 425.510 that a court has determined that a person:
- (a) Has failed to comply with a subpoena or warrant relating to a proceeding to establish paternity or to establish or enforce an obligation for the support of a child; or
  - (b) Is in arrears in the payment for the support of one or more children,
- ⇒ send a written notice to that person that his or her driver's license is subject to suspension.
  - 2. The notice must include:
  - (a) The reason for the suspension of the license;
  - (b) The information set forth in subsections 3, 5 and 6; and
  - (c) Any other information the Department deems necessary.
- 3. If a person who receives a notice pursuant to subsection 1 does not, within 30 days after receiving the notice, comply with the subpoena or warrant or satisfy the arrearage as required in NRS 425.510, the Department shall suspend the license without providing the person with an opportunity for a hearing.
- 4. The Department shall suspend immediately the license of a defendant if so ordered pursuant to NRS 176.064 [-] or section 4 of this act.
- 5. The Department shall reinstate the driver's license of a person whose license was suspended pursuant to this section if it receives:
- (a) A notice from the district attorney or other public agency pursuant to NRS 425.510 that the person has complied with the subpoena or warrant or has satisfied the arrearage pursuant to that section, [or] from a district judge that a delinquency for which the suspension was ordered pursuant to NRS 176.064 has been discharged [;] or from a judge of the juvenile court that an unsatisfied civil judgment for which the suspension was ordered pursuant to section 4 of this act has been satisfied; and
- (b) Payment of the fee for reinstatement of a suspended license prescribed in NRS 483.410.
- 6. The Department shall not require a person whose driver's license was suspended pursuant to this section to submit to the tests and other requirements which are adopted by regulation pursuant to subsection 1 of NRS 483.495 as a condition of the reinstatement of the license.
  - Sec. 13. This act becomes effective upon passage and approval.

Senator Kihuen moved the adoption of the amendment.

#### Remarks by Senator Kihuen.

Thank you, Mr. President pro Tempore. Amendment No. 71 to Senate Bill No. 106 revises the following: (1) it deletes Section 5 from the bill, which relates to the procedure by which a juvenile court judge approves or rejects the recommendations of a master of the juvenile court or directs a hearing de novo; (2) it includes a "for good cause shown" provision, which authorizes the juvenile court, in its discretion and upon good cause shown, to waive all or part of any community service which the court ordered a child to perform; (3) it adds language to prohibit reporting a judgment to a credit agency until the child has reached the age of 21; and (4) it revises the purposes for which money collected from fees imposed by a court may be used.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 122.

Bill read second time.

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

Amendment No. 254.

"SUMMARY—Revises provisions governing a regional authority for housing in certain counties. (BDR 25-638)"

"AN ACT relating to housing; revising the number of commissioners of a regional authority for housing in certain counties; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

The Housing Authorities Law of 1947 (NRS 315.140-315.7813) authorizes, in a county whose population is 700,000 or more (currently Clark County), the formation of a regional authority by a resolution of the governing body of the county and the governing body of each city and town located within the county that desires to participate in the regional authority. (NRS 315.7805) In Clark County, the Southern Nevada Regional Housing Authority has been so formed by Clark County and the Cities of Las Vegas, Henderson and North Las Vegas.

Existing law requires the appointment of nine persons to serve as commissioners of a regional authority, including one commissioner who serves on behalf of tenants. (NRS 315.7809) Section 1 of this bill increases the number of commissioners of a regional authority to [11,] 12, and provides that [2] 4 of the commissioners must represent tenants and be appointed, respectively, by the governing bodies of the county and the three largest cities in the county that participate in the regional authority.

Section 3 of this bill requires the governing bodies of <u>Clark County</u>, the City of Las Vegas, the City of Henderson and the City of North Las Vegas to make their respective appointments of commissioners who represent tenants to the Southern Nevada Regional Housing Authority as soon as practicable on or after July 1, 2013. <u>Section 3 further provides for the staggering of the terms of the newly appointed commissioners.</u>

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

Section 1. NRS 315.7809 is hereby amended to read as follows:

- 315.7809 1. Upon the adoption of a resolution pursuant to NRS 315.7805 forming a regional authority, [nine] [111] 12 persons must be appointed to serve as commissioners of the authority as follows:
- (a) The governing body of the county shall appoint two persons to serve as commissioners of the authority;
- (b) The governing body of the largest city in the county *that participates in the regional authority* shall appoint two persons to serve as commissioners of the authority;
- (c) The governing body of the second largest city in the county *that* participates in the regional authority shall appoint two persons to serve as commissioners of the authority;
- (d) The governing body of the third largest city in the county that participates in the regional authority shall appoint two persons to serve as commissioners of the authority; and
- (e) [One commissioner who serves] [Three] Four commissioners who serve on behalf of tenants must be selected as described in subsection 3 [.], including:
- (1) One commissioner who serves on behalf of tenants of the county, appointed by the governing body of the county;
- (2) One commissioner who serves on behalf of tenants of the largest city in the county that participates in the regional authority, appointed by the governing body of that city;
- <del>[(2)]</del> (3) One commissioner who serves on behalf of tenants of the second largest city in the county that participates in the regional authority, appointed by the governing body of that city; and
- $\frac{\{(3)\}}{\{(4)\}}$  One commissioner who serves on behalf of tenants of the third largest city in the county that participates in the regional authority, appointed by the governing body of that city.
- → None of the persons appointed to serve as commissioners of the authority may be elected officials of any governmental entity.
- 2. [Six of the commissioners who are first appointed pursuant to subsection I must be designated to serve for terms of 1, 2 and 3 years, respectively, from the date of their appointment, and] [three] \*five\* must be designated to serve for terms of 4 years from the date of their appointment, but thereafter commissioners] \*Each commissioner\*\* must be appointed for a term of office of 4 years. [The persons appointed initially to serve as commissioners pursuant to subsection 1 shall determine by lot whether they are designated pursuant to this subsection to serve for a term of 1 year, 2 years, 3 years or 4 years.]
- 3. [The] Each commissioner who serves on behalf of tenants must be a current recipient of assistance from the authority who [was] resides in the county or in the city from which he or she is appointed as applicable, and

who is selected from a list of at least five eligible nominees submitted for this purpose by an organization which represents tenants of housing projects [.] in [that] the county or city [.], as applicable. If no such organization exists, [the] each such commissioner must be selected from a list of nominees submitted for this purpose from persons who currently receive assistance from the authority [.] and who reside in the county or in the city for which the list of nominees is prepared [.], as applicable. Thereafter, at least [one commissioner] [three] four commissioners must be such [a recipient who was] recipients who were nominated and appointed in the same manner. If, during his or her term, [the] any such commissioner ceases to be a recipient of assistance, the commissioner must be replaced in the manner set forth in this subsection by a person who is a recipient of assistance.

- 4. In making the appointments described in *paragraphs* (a) to (d), *inclusive*, of subsection 1, the relevant local governments shall seek recommendations for appointment from a diverse background of interests with a view toward:
  - (a) Balancing gender and ethnicity; and
- (b) Soliciting appointees who have experience in fields such as, without limitation:
  - (1) Real estate:
  - (2) Financial planning;
  - (3) Legal aid;
  - (4) Education;
  - (5) Public safety;
  - (6) The provision of public services; and
  - (7) The assistance of persons of low income.
  - 5. All vacancies must be filled for the unexpired term.
- Sec. 2. Notwithstanding the provisions of NRS 315.7809, the term of the commissioner of the Southern Nevada Regional Housing Authority who represents tenants and who is described in paragraph (e) of subsection 1 of NRS 315.7809 expires on June 30, 2013.
- Sec. 2.5. Notwithstanding the provisions of NRS 315.7809, as amended by section 1 of this act, the commissioners of the Southern Nevada Regional Housing Authority described in paragraphs (a) to (d), inclusive, of subsection 1 of NRS 315.7809 who are in office on July 1, 2013, continue to serve until the end of their current terms of office.
- Sec. 3. As soon as practicable on or after July 1, 2013, the governing bodies of <u>Clark County</u>, the City of Las Vegas, the City of Henderson and the City of North Las Vegas shall make their respective appointments to the Southern Nevada Regional Housing Authority described in paragraph (e) of subsection 1 of NRS 315.7809, as amended by section 1 of this act. <u>Notwithstanding the provisions of NRS 315.7809</u>, as amended by section 1 of this act, the persons appointed to serve as commissioners pursuant to this <u>section</u>:

- 1. Must be designated to serve for initial terms of 1, 2, 3 and 4 years, respectively, from the date of their appointment, but thereafter each commissioner must be appointed for a term of office of 4 years.
- 2. Shall determine by lot which appointees are designated pursuant to this section to serve for an initial term of 1, 2, 3 or 4 years, respectively.
- Sec. 4. 1. This section and section 2 of this act become effective upon passage and approval.
  - 2. Sections 1, 2.5 and 3 of this act become effective on July 1, 2013.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 254 to Senate Bill No. 122 increases the number of Housing Authority Board members to 12, one more than was provided for in the original bill. The twelfth member will represent tenants living in Clark County. Additionally, the amendment staggers the terms of the newly-appointed tenant representatives so that their terms will not expire at the same time. It adds three more residents to the Housing Authority Board.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 131.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 188.

"SUMMARY—Establishes provisions governing the disposition of a decedent's accounts on electronic mail, social networking, messaging and other web-based services. (BDR 12-563)"

"AN ACT relating to personal representatives; authorizing a personal representative to take certain actions with respect to a decedent's account on certain Internet websites; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law sets forth the powers and duties of a personal representative in the administration of the estate of a decedent. (Chapter 143 of NRS) This bill authorizes a personal representative to take control of, conduct, continue or terminate any account of the decedent on any Internet website providing social networking or web log, microblog, short message or electronic mail service.

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

Section 1. Chapter 143 of NRS is hereby amended by adding thereto a new section to read as follows:

### [Subject]

1. Except as otherwise provided in subsection 2, subject to such restrictions as may be prescribed in the will of a decedent or by an order of a court of competent jurisdiction, a personal representative has the power to take control of, conduct, continue or terminate any account of the decedent including, without limitation:

- (a) An account on any:
- [1.] (1) Social networking Internet [site;] website;
- [2.] (2) Web log service Internet website;
- [3.] (3) Microblog service Internet website;
- [4.] (4) Short message service Internet website; or
- [5.] (5) Electronic mail service Internet website [+]; or
- (b) Any similar electronic or digital asset of the decedent.
- 2. The provisions of subsection 1 do not authorize a personal representative to take control of, conduct, continue or terminate any financial account of the decedent, including, without limitation, a bank account or investment account.
- 3. The act by a personal representative to take control of, conduct or continue any account or asset of a decedent pursuant to subsection 1 does not invalidate or abrogate any conditions, terms of service or contractual obligations the holder of such an account or asset has with the provider or administrator of the account, asset or Internet website.

Senator Kihuen moved the adoption of the amendment.

Remarks by Senator Kihuen.

Amendment No. 188 to Senate Bill No. 131 makes the following changes: (1) it provides that a personal representative may also take control of any similar electronic or digital asset of the decedent; (2) it clarifies that this measure does not authorize a personal representative to take control of, conduct, continue or terminate any financial account of the decedent, including without limitation, a bank account or investment account; and (3) it clarifies that the provisions of this measure do no invalidate or revoke any conditions, terms of service or contractual obligations the holder of such an account or asset has with the provider or administrator of the account, asset or Internet website.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 134.

Bill read second time.

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

Amendment No. 158.

"SUMMARY—Revises provisions governing animals. (BDR 48-249)"

"AN ACT relating to animals; [defining the term "water" to include snow for the purpose of watering livestock; setting forth the meaning of "point of diversion" or "place of diversion" for the use of water for that purpose;] authorizing a person to apply for a temporary permit to appropriate groundwater to water livestock under certain circumstances; requiring the Department of Wildlife to maintain certain fences; [requiring the Department to submit an application to the State Engineer before placing a guzzler;] requiring each guzzler to have a notice posted containing certain information; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the water of all sources of water supply in this State belongs to the public and, subject to existing rights, may be appropriated for a beneficial use in accordance with chapter 533 of NRS. (NRS 533.025, 533.030) Existing law also specifically declares that the use of water for watering livestock is a beneficial use and that the right to use water for that purpose may be acquired in the same manner as the right to use water for any other beneficial use. (NRS 533.490) Section 1 of this bill <del>[defines the term</del> "water" to include snow for the purpose of watering livestock. Section 5 of this bill specifies that, on application to the State Engineer for a right to use water for that purpose or to establish that right, the terms "point of diversic or "place of diversion" mean the place from which the water is physically diverted from its source or the place at which the livestock consume water in situ without a mechanical method of diverting the water.] authorizes a person to apply for a temporary permit to appropriate groundwater to water livestock if the point of diversion is located within a county under a declaration of drought, or within a county that is contiguous to a county under such a declaration, by the Governor, the United States Secretary of Agriculture or the President of the United States.

Sections 2.1-2.5 of this bill exempt an application for such a temporary permit from several requirements in existing law for applications for permits concerning water rights, including publication of notice of the application in a newspaper and authorization for the filing of protests against the granting of the application. This expedited process is similar to the process for the issuance by the State Engineer of temporary permits to appropriate water to establish vegetative cover that is resistant to fire and environmental permits. (NRS 533.436-533.4377)

Existing law creates the Department of Wildlife and requires the Department to administer the wildlife laws of this State. (NRS 501.331) Section 7 of this bill requires the Department, whenever the Department constructs or causes to be constructed a fence in carrying out its duties, to ensure that the fence is constructed and maintained in such a manner as to prevent livestock from becoming trapped in the fence. Section 8 of this bill requires [the Department to submit an application to the State Engineer before placing a guzzler with a capacity of 1,000 gallons or more. The application must include an accurate description of the location and site of the proposed guzzler.] each guzzler that is placed to have a notice posted on it which provides the telephone number and any other contact information which may be used to notify the person or agency that placed the guzzler if the guzzler is in disrepair. Section 8 defines the term "guzzler" as any artificial basin that collects or is designed and constructed to collect precipitation specifically for use by any wildlife.

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:

### f For the purpose of watering livestock, the term "water" includes snow.]

- 1. Except as otherwise provided in NRS 533.495 and 533.503, a person may apply for a temporary permit to appropriate groundwater to water livestock if the point of diversion is located within a county under a declaration of drought, or within a county contiguous to a county under such a declaration, by the:
  - (a) Governor;
  - (b) United States Secretary of Agriculture; or
  - (c) President of the United States.
- 2. In addition to the information required by NRS 533.335 and 533.340, an applicant for a temporary permit to appropriate groundwater pursuant to this section shall submit to the State Engineer:
- (a) An affidavit stating that, if the temporary permit is for a well, the holder of the temporary permit will plug and seal the well pursuant to chapter 534 of NRS upon the expiration of the temporary permit; and
- (b) Any other information required by the State Engineer to determine the necessity of the temporary appropriation.
- 3. The State Engineer shall approve an application for a temporary permit to appropriate groundwater pursuant to this section if:
  - (a) The application is accompanied by the fee prescribed by this chapter;
  - (b) The temporary appropriation is in the public interest; and
- (c) The temporary appropriation does not impair water rights held by other persons.
- 4. A temporary permit to appropriate groundwater issued pursuant to this section must not exceed 1 year in duration.
  - Sec. 2. [NRS 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 I of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)
  - Sec. 2.1. NRS 533.360 is hereby amended to read as follows:
- 533.360 1. Except as otherwise provided in subsection 4, NRS 533.345 and subsection 2 of NRS 533.370, when an application is filed in compliance with this chapter, the State Engineer shall, within 30 days, publish or cause to be published once a week for 4 consecutive weeks in a newspaper of general circulation and printed and published in the county where the water is sought to be appropriated, a notice of the application which sets forth:
  - (a) That the application has been filed.
  - (b) The date of the filing.
  - (c) The name and address of the applicant.
  - (d) The name of the source from which the appropriation is to be made.
- (e) The location of the place of diversion, described by legal subdivision or metes and bounds and by a physical description of that place of diversion.
  - (f) The purpose for which the water is to be appropriated.

- → The publisher shall add thereto the date of the first publication and the date of the last publication.
- 2. Except as otherwise provided in subsection 4, proof of publication must be filed within 30 days after the final day of publication. The State Engineer shall pay for the publication from the application fee. If the application is cancelled for any reason before publication, the State Engineer shall return to the applicant that portion of the application fee collected for publication.
  - 3. If the application is for a proposed well:
  - (a) For municipal, quasi-municipal or industrial use; and
- (b) Whose reasonably expected rate of diversion is one-half cubic foot per second or more,
- the applicant shall mail a copy of the notice of application to each owner of real property containing a domestic well that is within 2,500 feet of the proposed well, to the owner's address as shown in the latest records of the county assessor. If there are not more than six such wells, notices must be sent to each owner by certified mail, return receipt requested. If there are more than six such wells, at least six notices must be sent to owners by certified mail, return receipt requested. The return receipts from these notices must be filed with the State Engineer before the State Engineer may consider the application.
- 4. The provisions of this section do not apply to an environmental permit or a temporary permit issued pursuant to NRS 533.436 [-] or section 1 of this act.

#### Sec. 2.2. NRS 533.363 is hereby amended to read as follows:

- 533.363 1. Except as otherwise provided in subsection 2, if water for which a permit is requested is to be used in a county other than that county in which it is to be appropriated, or is to be diverted from or used in a different county than that in which it is currently being diverted or used, then the State Engineer shall give notice of the receipt of the request for the permit to:
- (a) The board of county commissioners of the county in which the water for which the permit is requested will be appropriated or is currently being diverted or used; and
- (b) The board of county commissioners of the county in which the water will be diverted or used.
  - 2. The provisions of subsection 1 do not apply:
- (a) To an environmental permit or a temporary permit issued pursuant to NRS 533.436 + or section 1 of this act.
  - (b) If:
    - (1) The water is to be appropriated and used; or
- (2) Both the current and requested place of diversion or use of the water are,
- → within a single, contiguous parcel of real property.
- 3. A person who requests a permit to which the provisions of subsection 1 apply shall submit to each appropriate board of county

commissioners a copy of the application and any information relevant to the request.

- 4. Each board of county commissioners which is notified of a request for a permit pursuant to this section shall consider the request at the next regular or special meeting of the board held not earlier than 3 weeks after the notice is received. The board shall provide public notice of the meeting for 3 consecutive weeks in a newspaper of general circulation in its county. The notice must state the time, place and purpose of the meeting. At the conclusion of the meeting the board may recommend a course of action to the State Engineer, but the recommendation is not binding on the State Engineer.
  - Sec. 2.3. NRS 533.370 is hereby amended to read as follows:
- 533.370 1. Except as otherwise provided in this section and NRS 533.345, 533.371, 533.372 and 533.503, the State Engineer shall approve an application submitted in proper form which contemplates the application of water to beneficial use if:
  - (a) The application is accompanied by the prescribed fees;
- (b) The proposed use or change, if within an irrigation district, does not adversely affect the cost of water for other holders of water rights in the district or lessen the efficiency of the district in its delivery or use of water; and
- (c) The applicant provides proof satisfactory to the State Engineer of the applicant's:
- (1) Intention in good faith to construct any work necessary to apply the water to the intended beneficial use with reasonable diligence; and
- (2) Financial ability and reasonable expectation actually to construct the work and apply the water to the intended beneficial use with reasonable diligence.
- 2. Except as otherwise provided in subsection 10, where there is no unappropriated water in the proposed source of supply, or where its proposed use or change conflicts with existing rights or with protectable interests in existing domestic wells as set forth in NRS 533.024, or threatens to prove detrimental to the public interest, the State Engineer shall reject the application and refuse to issue the requested permit. If a previous application for a similar use of water within the same basin has been rejected on those grounds, the new application may be denied without publication.
- 3. In addition to the criteria set forth in subsections 1 and 2, in determining whether an application for an interbasin transfer of groundwater must be rejected pursuant to this section, the State Engineer shall consider:
- (a) Whether the applicant has justified the need to import the water from another basin;
- (b) If the State Engineer determines that a plan for conservation of water is advisable for the basin into which the water is to be imported, whether the applicant has demonstrated that such a plan has been adopted and is being effectively carried out;

- (c) Whether the proposed action is environmentally sound as it relates to the basin from which the water is exported;
- (d) Whether the proposed action is an appropriate long-term use which will not unduly limit the future growth and development in the basin from which the water is exported; and
  - (e) Any other factor the State Engineer determines to be relevant.
- 4. Except as otherwise provided in this subsection and subsections 6 and 10 and NRS 533.365, the State Engineer shall approve or reject each application within 2 years after the final date for filing a protest. The State Engineer may postpone action:
  - (a) Upon written authorization to do so by the applicant.
  - (b) If an application is protested.
  - (c) If the purpose for which the application was made is municipal use.
- (d) In areas where studies of water supplies have been determined to be necessary by the State Engineer pursuant to NRS 533.368.
- (e) Where court actions or adjudications are pending, which may affect the outcome of the application.
- (f) In areas in which adjudication of vested water rights is deemed necessary by the State Engineer.
- (g) On an application for a permit to change a vested water right in a basin where vested water rights have not been adjudicated.
- (h) Where authorized entry to any land needed to use the water for which the application is submitted is required from a governmental agency.
- (i) On an application for which the State Engineer has required additional information pursuant to NRS 533.375.
- 5. If the State Engineer does not act upon an application in accordance with subsections 4 and 6, the application remains active until approved or rejected by the State Engineer.
- 6. Except as otherwise provided in this subsection and subsection 10, the State Engineer shall approve or reject, within 6 months after the final date for filing a protest, an application filed to change the point of diversion of water already appropriated when the existing and proposed points of diversion are on the same property for which the water has already been appropriated under the existing water right or the proposed point of diversion is on real property that is proven to be owned by the applicant and is contiguous to the place of use of the existing water right. The State Engineer may postpone action on the application pursuant to subsection 4.
- 7. If the State Engineer has not approved, rejected or held a hearing on an application within 7 years after the final date for filing a protest, the State Engineer shall cause notice of the application to be republished pursuant to NRS 533.360 immediately preceding the time at which the State Engineer is ready to approve or reject the application. The cost of the republication must be paid by the applicant. After such republication, a protest may be filed in accordance with NRS 533.365.

- 8. If a hearing is held regarding an application, the decision of the State Engineer must be in writing and include findings of fact, conclusions of law and a statement of the underlying facts supporting the findings of fact. The written decision may take the form of a transcription of an oral ruling. The rejection or approval of an application must be endorsed on a copy of the original application, and a record must be made of the endorsement in the records of the State Engineer. The copy of the application so endorsed must be returned to the applicant. Except as otherwise provided in subsection 11, if the application is approved, the applicant may, on receipt thereof, proceed with the construction of the necessary works and take all steps required to apply the water to beneficial use and to perfect the proposed appropriation. If the application is rejected, the applicant may take no steps toward the prosecution of the proposed work or the diversion and use of the public water while the rejection continues in force.
- 9. If a person is the successor in interest of an owner of a water right or an owner of real property upon which a domestic well is located and if the former owner of the water right or real property on which a domestic well is located had previously filed a written protest against the granting of an application, the successor in interest must be allowed to pursue that protest in the same manner as if the successor in interest were the former owner whose interest he or she succeeded. If the successor in interest wishes to pursue the protest, the successor in interest must notify the State Engineer in a timely manner on a form provided by the State Engineer.
- 10. The provisions of subsections 1 to 9, inclusive, do not apply to an application for an environmental permit or a temporary permit issued pursuant to NRS 533.436  $\frac{1}{100}$  or section 1 of this act.
- 11. The provisions of subsection 8 do not authorize the recipient of an approved application to use any state land administered by the Division of State Lands of the State Department of Conservation and Natural Resources without the appropriate authorization for that use from the State Land Registrar.
- 12. As used in this section, "domestic well" has the meaning ascribed to it in NRS 534.350.
  - Sec. 2.4. 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,
- must not be less than 5 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 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 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.
- 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. 2.5. 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.
- (l) 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.
- - Sec. 3. [NRS 533.475 is hereby amended to read as follows:
- have power to arrest any person violating any of the provisions of NRS 533.005 to 533.470, inclusive, and section 1 of this act and to turn that person over to the sheriff or other competent police officer within the county. Immediately on delivering any such person so arrested into the custody of the sheriff, the State Engineer or assistant making such arrest shall immediately, in writing, and upon oath, make a complaint before the justice of the peace against the person so arrested.] (Deleted by amendment.)
  - Sec. 4. NRS 533.480 is hereby amended to read as follows:
- 533.480 Any person violating any of the provisions of NRS 533.005 to 533.475, inclusive, *and section 1 of this act* shall be guilty of a misdemeanor.] (Deleted by amendment.)
  - Sec. 4.5. NRS 533.485 is hereby amended to read as follows:
- 533.485 As used in NRS 533.485 to 533.510, inclusive  $\frac{[+]}{[+]}$ , and section 1 of this act:
- 1. "Public range" means all lands belonging to the United States and to the State of Nevada on which livestock are permitted to graze, including lands set apart as national forests and lands reserved for other purposes.
- 2. "Range livestock" [shall mean] <u>means</u> livestock which during the general period or season when they are being or are proposed to be watered at the place involved [shall be] <u>are</u> subsisting chiefly or entirely by grazing on the public range.
  - Sec. 5. [NRS 533.490 is hereby amended to read as follows:
- 533.490—1. The use of water for watering livestock is hereby declared to be a beneficial use except as otherwise provided in NRS 533.495. Subject to such exception, the right to use water for that purpose may be acquired in the same manner as the right to use water for any other beneficial purpose.
- 2. On application to the State Engineer for any such right, it shall not be necessary for the applicant to state or prove or for the State Engineer to determine in cubic feet per second of time the quantity of water the use of which is applied for or granted, but in all such applications and in all proceedings connected therewith and, also, in all proceedings either before the State Engineer or the courts relating to the proof or establishment of a

vested right to use water for watering livestock, it shall be a sufficient measure of the quantity of the water to specify the number and kind of animals to be watered or which have been watered, as the ease may be. This subsection is not intended to imply that [prior to] before April 1, 1925, it was necessary to specify, prove or determine the quantity of water in cubic feet per second, but is meant only to remove for the future any uncertainty that may have existed as to such necessity.

- 3. On application to the State Engineer for any such right and in establishing any such right, "point of diversion" or "place of diversion" means a substantially specific and accurate description of the location of:
- (a) The place from which the water is physically diverted from its source,
- (b) The place at which the water is consumed by the livestock, including, without limitation, the place at which the livestock consume water in situ and without the use of a mechanical method of diverting the water.] (Deleted by amendment.)
  - Sec. 5.5. NRS 533.510 is hereby amended to read as follows:
- 533.510 NRS 533.485 to 533.510, inclusive, <u>and section 1 of this act</u> do not affect the validity of rights to the use of water for watering livestock or other purposes acquired under the previously existing laws of this state or by decree or impair any existing vested or decreed right to the use of water for that purpose.
- Sec. 6. Chapter 501 of NRS is hereby amended by adding thereto the provisions set forth as sections 7 and 8 of this act.
- Sec. 7. If the Department constructs or causes to be constructed a fence in carrying out its duties, the Department shall, to the greatest extent practicable, ensure that the fence is constructed and maintained in such a manner as to prevent livestock from being trapped in the fence.
- Sec. 8. 1. [Before placing a guzzler with a capacity of 1,000 gallons or more, the Department shall submit an application to the State Engineer. The application must include, without limitation, an accurate description of the proposed location and site upon which the Department intends to place the guzzler and any other information required by the State Engineer.
- 2. Within 30 days after receiving an application for a proposed guzzler submitted pursuant to subsection 1, the State Engineer shall approve or reject the application and notify the Department in writing of his or her determination.
- 3. The State Engineer shall reject the application if he or she determines that the proposed guzzler threatens to prove detrimental to the public interest.
- 4. The Department shall not place a guzzler unless the State Engineer has approved its proposed location and site.
- 5.] Each guzzler must have posted on it a notice providing the telephone number and any other contact information which may be used to notify the person or agency that placed the guzzler if the guzzler is in disrepair.

- <u>2.</u> As used in this section, "guzzler" means any artificial basin that collects or is designed and constructed to collect precipitation specifically for use by any wildlife.
- Sec. 9. [The amendatory provisions of this act do not apply to any] For each guzzler specified in section 8 of this act which is placed [by the Department of Wildlife] before October 1, 2013 [...], and which remains in use on that date, the person or agency that placed the guzzler shall comply with the provisions of section 8 of this act on or before October 1, 2014.

Senator Goicoechea moved the adoption of the amendment.

Remarks by Senator Goicoechea.

Amendment No. 158 to Senate Bill No. 134 deletes Section 1 of the bill which specifies that "water" includes snow for the purposes of watering livestock. Sections 2, 3 and 4 of the bill also relate to this issue and are deleted. It also deletes Section 5 which proposed to revise the definition of "place" or "point" of diversion.

Amendment No. 158 to Senate Bill No. 134 deletes provisions in Section 8 that would have required the submission of an application to the State Engineer prior to the placement of a guzzler and, instead, adds new language requiring that each guzzler include a posted notice that provides a telephone number and other contact information of the person or agency that placed the guzzler. Finally, the amendment adds new language that provides for the issuance of a temporary permit to appropriate groundwater for watering livestock in times of drought. The new language adds other sections to the bill, which reference this temporary drought permit in other parts of Chapter 533 of *Nevada Revised Statutes*.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 140.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 133.

"SUMMARY—Revises provisions relating to a lien for attorney's fees. (BDR 2-558)"

"AN ACT relating to civil practice; authorizing the attachment of a lien to client files and other property for attorney's fees under certain circumstances; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides for the creation, perfection and attachment of a lien for attorney's fees. Such a lien, commonly known as a "charging lien," attaches to any verdict, judgment or decree entered and to any money or property which is recovered on account of a suit or other action for which an attorney rendered services on behalf of his or her client. (NRS 18.015) Common law provides for the attachment of a lien to a client's files or other property left in the possession of the attorney in the event of a dispute over attorney's fees. A fee dispute underlying such a lien, commonly known as a "retaining lien," may only be resolved by a court if the client requests that the court extinguish the lien or if the client consents to the court's adjudication of the lien. (Argentena Consol. Mining Co. v. Jolley Urga Wirth Woodbury & Standish, 125 Nev. 527 (2009)) This bill provides for the statutory

creation, perfection and attachment of such a "retaining lien" for attorney's fees. This bill also supersedes Nevada common law by providing that the rights under such a lien may be adjudicated by a court at the request of the attorney having the lien or any other party who has been served with notice of the lien, rather than only by request of the client whose files have been retained under the lien. Finally, this bill revises the provisions relating to the notice requirements for perfecting a lien.

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

Section 1. NRS 18.015 is hereby amended to read as follows:

18.015 1. An attorney at law shall have a lien [upon any]:

- (a) Upon any claim, demand or cause of action, including any claim for unliquidated damages, which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted. [The]
- (b) In any civil action, upon any file or other property properly left in the possession of the attorney by a client.
- 2. A lien *pursuant to subsection 1* is for the amount of any fee which has been agreed upon by the attorney and client. In the absence of an agreement, the lien is for a reasonable fee for the services which the attorney has rendered for the client. For account of the suit, claim, demand or action.
- 2.] 3. An attorney perfects [the] a lien described in subsection 1 by serving notice in writing, in person or by certified mail, return receipt requested, upon his or her client and , if applicable, upon the party against whom the client has a cause of action, claiming the lien and stating the [interest which the attorney has in any cause of action.
  - 3. The amount of the lien.
  - 4. A lien pursuant to:
- (a) Paragraph (a) of subsection l attaches to any verdict, judgment or decree entered and to any money or property which is recovered on account of the suit or other action  $[\cdot]$ ; and
- (b) Paragraph (b) of subsection 1 attaches to any file or other property properly left in the possession of the attorney by his or her client <u>, including, without limitation, copies of the attorney's file if the original documents received from the client have been returned to the client, and authorizes the attorney to retain any such file or property until such time as an adjudication is made pursuant to subsection [5,] 6.</u>
- → from the time of service of the notices required by this section.
- [4.] 5. A lien pursuant to paragraph (b) of subsection 1 must not be construed as inconsistent with the attorney's professional responsibilities to the client.
- <u>6.</u> On motion filed by an attorney having a lien under this section, the attorney's client or any party who has been served with notice of the lien, the court shall, after 5 days' notice to all interested parties, adjudicate the rights of the attorney, client or other parties and enforce the lien.

- [5.] [6.] 7. Collection of attorney's fees by a lien under this section may be utilized with, after or independently of any other method of collection.
- Sec. 2. The amendatory provisions of this act apply to any fee for the services of an attorney incurred by a client for services rendered before, on or after July 1, 2013.
  - Sec. 3. This act becomes effective on July 1, 2013.

Senator Kihuen moved the adoption of the amendment.

Remarks by Senator Kihuen.

Thank you, Mr. President pro Tempore. Amendment No. 133 to Senate Bill No. 140 provides that a retaining lien for attorney's fees includes without limitation, copies of the attorney's files, if the original documents received from the client have been returned to the client. It also clarifies that a retaining lien for attorney's fees must not be construed as inconsistent with the attorney's professional responsibilities to the client.

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 Transportation:

Amendment No. 82.

"SUMMARY—Revises provisions governing certain examinations for driver's licenses. (BDR 43-696)"

"AN ACT relating to motor vehicles; requiring the Department of Motor Vehicles to include on certain examinations at least one question testing an applicant's knowledge of a certain subject; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes the Department of Motor Vehicles to require each applicant for an instruction permit, driver's license or commercial driver's license to submit to an examination consisting of various areas and subjects, including a test of the applicant's knowledge of practices for safe driving and the traffic laws of this State. (NRS 483.280, 483.330) As part of the practices for safe driving and the traffic laws of this State, existing law prohibits a person, under certain circumstances, from texting or otherwise using a cellular telephone or other handheld wireless communications device while operating a motor vehicle on a highway in this State, unless the device is used with an accessory which allows the person to communicate without his or her hands. (NRS 484B.165) Sections 1 and 2 of this bill require the Department, if the Department administers an examination concerning practices for safe driving or the traffic laws of this State, to ensure that the examination includes at least one question testing the applicant's or licensee's knowledge of the prohibition against texting or otherwise using a cellular telephone or other handheld wireless communications device while operating a motor vehicle upon a highway in this State.

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

Section 1. NRS 483.280 is hereby amended to read as follows:

- 483.280 1. Any person who is at least 15 1/2 years of age may apply to the Department for an instruction permit. The Department may, in its discretion, after the applicant has successfully passed all parts of the examination *administered pursuant to NRS 483.330*, other than the driving test, issue to the applicant an instruction permit entitling the applicant, while having the permit in his or her immediate possession, to drive a motor vehicle upon the highways for a period of 1 year when accompanied by a licensed driver who is at least 21 years of age, who has had at least 1 year of licensed driving experience in the type of vehicle for which the permit was issued and who is actually occupying a seat beside the driver, except when the permittee is occupying a motorcycle. The term "licensed driving experience gained under an instruction permit issued pursuant to the provisions of this section.
- 2. The Department may, in its discretion, issue a temporary driver's permit to an applicant for a driver's license permitting the applicant to drive a motor vehicle while the Department is completing its investigation and determination of all facts relative to the applicant's right to receive a driver's license. The permit must be in the applicant's immediate possession while driving a motor vehicle, and is invalid when the applicant's license has been issued or for good cause has been refused.
- 3. The Department, upon receiving proper application, may, in its discretion, issue a restricted instruction permit effective for a school year, or for a more restricted period, to an applicant who is enrolled in a drivers' education program which includes practice driving and which is approved by the Department even though the applicant has not reached the legal age to be eligible for a driver's license. The instruction permit entitles the permittee, when the permittee has the permit in his or her immediate possession, to drive a motor vehicle only on a designated highway or within a designated area, but only when an approved instructor is occupying a seat beside the permittee.
  - Sec. 2. NRS 483.330 is hereby amended to read as follows:
- 483.330 1. The Department may require every applicant for a driver's license, including a commercial driver's license issued pursuant to NRS 483.900 to 483.940, inclusive, to submit to an examination. The examination may include:
- (a) A test of the applicant's ability to understand official devices used to control traffic;
- (b) A test of the applicant's knowledge of practices for safe driving and the traffic laws of this State;
- (c) Except as otherwise provided in subsection 2, a test of the applicant's eyesight; and

- (d) Except as otherwise provided in subsection 3, an actual demonstration of the applicant's ability to exercise ordinary and reasonable control in the operation of a motor vehicle of the type or class of vehicle for which he or she is to be licensed.
- → The examination may also include such further physical and mental examination as the Department finds necessary to determine the applicant's fitness to drive a motor vehicle safely upon the highways. If the Department requires an applicant to submit to a test specified in paragraph (b), the Department shall ensure that the test includes at least one question testing the applicant's knowledge of the provisions of NRS 484B.165.
- 2. The Department may provide by regulation for the acceptance of a report from an ophthalmologist, optician or optometrist in lieu of an eye test by a driver's license examiner.
- 3. If the Department establishes a type or classification of driver's license to operate a motor vehicle of a type which is not normally available to examine an applicant's ability to exercise ordinary and reasonable control of such a vehicle, the Department may, by regulation, provide for the acceptance of an affidavit from a:
  - (a) Past, present or prospective employer of the applicant; or
- (b) Local joint apprenticeship committee which had jurisdiction over the training or testing, or both, of the applicant,
- in lieu of an actual demonstration.
- 4. The Department may waive an examination pursuant to subsection 1 for a person applying for a Nevada driver's license who possesses a valid driver's license of the same type or class issued by another jurisdiction unless that person:
- (a) Has not attained 21 years of age, except that the Department may, based on the driving record of the applicant, waive the examination to demonstrate the applicant's ability to exercise ordinary and reasonable control in the operation of a motor vehicle of the same type or class of vehicle for which he or she is to be licensed;
- (b) Has had his or her license or privilege to drive a motor vehicle suspended, revoked or cancelled or has been otherwise disqualified from driving during the immediately preceding 4 years;
- (c) Has been convicted of a violation of NRS 484C.130 or, during the immediately preceding 7 years, of a violation of NRS 484C.110, 484C.120 or 484C.430 or a law of any other jurisdiction that prohibits the same or similar conduct;
- (d) Has restrictions to his or her driver's license which the Department must reevaluate to ensure the safe driving of a motor vehicle by that person;
- (e) Has had three or more convictions of moving traffic violations on his or her driving record during the immediately preceding 4 years; or
- (f) Has been convicted of any of the offenses related to the use or operation of a motor vehicle which must be reported pursuant to the provisions of Parts 1327 et seq. of Title 23 of the Code of Federal

Regulations relating to the National Driver Register Problem Driver Pointer System during the immediately preceding 4 years.

- Sec. 3. This act becomes effective:
- 1. Upon passage and approval for the purposes of adopting any necessary regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On [October 1, 2013,] January 1, 2014, for all other purposes.

Senator Manendo moved the adoption of the amendment.

Remarks by Senator Manendo.

Amendment No. 82 to Senate Bill No. 143 moves the effective date of the bill back three months to January 1, 2014.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 174.

Bill read second time.

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

Amendment No. 196.

"SUMMARY—[Creates the Citizen Commission on Veterans Memorials.] Authorizes the Governor to require the naming of a state building, park, highway or other property after a deceased member of the Armed Forces of the United States under certain circumstances. (BDR 27-853)"

"AN ACT relating to public property; authorizing the Governor to require the naming of a state building, park, highway or other property after a deceased member of the Armed Forces of the United States under certain circumstances; [ereating the Citizen Commission on Veterans Memorials; setting forth the membership and duties of the Commission;] requiring the Nevada Veterans Services Commission to recommend to the Governor the names of certain deceased members of the Armed Forces of the United States for such an honor; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill provides for the naming of a state building, park, monument, bridge, road or other property after certain deceased members of the Armed Forces of the United States. [Section 9 of this bill creates the Citizen Commission on Veterans Memorials to operate with the support of the Office of Veterans Services. Section] Sections 10 and 11.5 of this bill [requires] require the members of the Nevada Veterans Services Commission to recommend to the Governor for the naming of certain state buildings or properties the names of deceased members of the Armed Forces of the United States who were residents of Nevada and were killed in action in Operation Enduring Freedom or Operation Iraqi Freedom. Sections 1, 5 and 7 of this bill authorize the Governor to direct the Administrator of the State Public Works Division of the Department of Administration, the Administrator of the Division of State Parks of the State Department of

Conservation and Natural Resources and the Director of the Department of Transportation, respectively, to name various state buildings and other properties after those deceased members of the Armed Forces of the United States whose names are recommended by the Commission. Section 11 of this bill creates the Nevada Will Always Remember Veterans Gift Account and authorizes the Executive Director for Veterans Services and the Deputy Executive Director for Veterans Services to accept donations, gifts and grants of money to be deposited in the Account. Sections 1, 5 and 7 authorize the Administrator of the State Public Works Division, the Administrator of the Division of State Parks and the Director of the Department of Transportation, respectively, to use funds from the Account for the design, procurement and installation of markers, plaques, statues or signs bearing the names of the selected deceased members of the Armed Forces of the United States at or upon the buildings or other properties chosen to be named. [Section 9] provides that the members of the Commission serve without compensation. except that each member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally to attend meetings of the Commission.]

WHEREAS, Many sons and daughters of the State of Nevada, imbued with the love of their country and the courage born in the desert, hills, sage and pines of Nevada, have entered into the Armed Forces of the United States; and

WHEREAS, Some of those sons and daughters have made the ultimate sacrifice and given their lives as their last full measure of devotion in defense of our country in Afghanistan and Iraq; and

WHEREAS, The State of Nevada and Nevadans can honor those brave sons and daughters and offer them the thanks of a grateful state by attaching their names to state-owned buildings, parks, monuments, bridges, roads and other properties; and

WHEREAS, Nevadans Will Always Remember Veterans; now, therefore, THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 331 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Governor may, upon receiving a recommendation from the <u>{Citizen Commission on Veterans Memorials created by section 9 of this act, } Nevada Veterans Services Commission pursuant to section 10 of this act, direct the Administrator to name a building, ground or property over which the Administrator has supervision and control pursuant to NRS 331.070 after a deceased member of the Armed Forces of the United States.</u>
- 2. The Administrator shall, as soon as sufficient money is available from the Nevada Will Always Remember Veterans Gift Account created by section 11 of this act, cause to be designed, procured and installed an appropriate marker, plaque, statue or sign bearing the name of the deceased

member of the Armed Forces of the United States at or upon the respective building, ground or property as directed by the Governor pursuant to subsection 1.

- Sec. 2. NRS 331.010 is hereby amended to read as follows:
- 331.010 As used in NRS 331.010 to 331.145, inclusive, *and section 1 of this act,* unless the context otherwise requires:
  - 1. "Administrator" means the Administrator of the Division.
- 2. "Buildings and Grounds Section" means the Buildings and Grounds Section of the Division.
  - 3. "Department" means the Department of Administration.
  - 4. "Director" means the Director of the Department.
  - 5. "Division" means the State Public Works Division of the Department.
  - Sec. 3. NRS 331.080 is hereby amended to read as follows:
- 331.080 1. [The] Except as otherwise provided in section 1 of this act, the Administrator may expend appropriated money to meet expenses for the care, maintenance and preservation of the buildings, grounds and their appurtenances identified in NRS 331.070, and for the repair of the furniture and fixtures therein.
- 2. The Administrator shall take proper precautions against damage thereto, or to the furniture, fixtures or other public property therein.
  - Sec. 4. NRS 331.101 is hereby amended to read as follows:
- 331.101 1. The Buildings and Grounds Operating Fund is hereby created as an internal service fund.
- 2. [All] Except as otherwise provided in section 1 of this act, all costs of administering the provisions of NRS 331.010 to 331.145, inclusive, and section 1 of this act must be paid out of the Buildings and Grounds Operating Fund as other claims against the State are paid.
- Sec. 5. Chapter 407 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Governor may, upon receiving a recommendation from the [Citizen Commission on Veterans Memorials created by section 9 of this act.] Nevada Veterans Services Commission pursuant to section 10 of this act. direct the Administrator to name, subject to the provisions of NRS 407.065, a state park, monument or recreational area after a deceased member of the Armed Forces of the United States.
- 2. The Administrator shall, as soon as sufficient money is available from the Nevada Will Always Remember Veterans Gift Account created by section 11 of this act, cause to be designed, procured and installed an appropriate marker, plaque, statue or sign bearing the name of the deceased member of the Armed Forces of the United States at or upon the respective state park, monument or recreational area as directed by the Governor pursuant to subsection 1.
  - Sec. 6. NRS 407.065 is hereby amended to read as follows:
  - 407.065 1. The Administrator, subject to the approval of the Director:

- (a) Except as otherwise provided in this paragraph  $\frac{1}{1-1}$  and section 5 of this act, may establish, name, plan, operate, control, protect, develop and maintain state parks, monuments and recreational areas for the use of the general public. The name of an existing state park, monument or recreational area may not be changed unless the Legislature approves the change by statute.
- (b) Shall protect state parks and property controlled or administered by the Division from misuse or damage and preserve the peace within those areas. The Administrator may appoint or designate certain employees of the Division to have the general authority of peace officers.
- (c) May allow multiple use of state parks and real property controlled or administered by the Division for any lawful purpose, including, but not limited to, grazing, mining, development of natural resources, hunting and fishing, in accordance with such regulations as may be adopted in furtherance of the purposes of the Division.
- (d) Shall impose and collect reasonable fees for entering, camping and boating in state parks and recreational areas. The Division shall issue, upon application therefor and proof of residency and age, an annual permit for entering, camping and boating in all state parks and recreational areas in this State to any person who is 65 years of age or older and has resided in this State for at least 5 years immediately preceding the date on which the application is submitted. The permit must be issued without charge, except that the Division shall charge and collect an administrative fee for the issuance of the permit in an amount sufficient to cover the costs of issuing the permit.
- (e) May conduct and operate such special services as may be necessary for the comfort and convenience of the general public, and impose and collect reasonable fees for such special services.
- (f) May rent or lease concessions located within the boundaries of state parks or of real property controlled or administered by the Division to public or private corporations, to groups of natural persons, or to natural persons for a valuable consideration upon such terms and conditions as the Division deems fit and proper, but no concessionaire may dominate any state park operation.
- (g) May establish such capital projects construction funds as are necessary to account for the parks improvements program approved by the Legislature. The money in these funds must be used for the construction and improvement of those parks which are under the supervision of the Administrator.
- (h) In addition to any concession specified in paragraph (f), may establish concessions within the boundaries of any state park to provide for the sale of food, drinks, ice, publications, sundries, gifts and souvenirs, and other such related items as the Administrator determines are appropriately made available to visitors. Any money received by the Administrator for a concession established pursuant to this paragraph must be deposited in the

Fund for State Park Interpretative and Educational Programs and Operation of Concessions.

- 2. The Administrator:
- (a) Shall issue an annual permit to a person who pays a reasonable fee as prescribed by regulation which authorizes the holder of the permit to enter each state park and each recreational area in this State and, except as otherwise provided in subsection 3, use the facilities of the state park or recreational area without paying the entrance fee; and
- (b) May issue an annual permit to a person who pays a reasonable fee as prescribed by regulation which authorizes the holder of the permit to enter a specific state park or specific recreational area in this State and, except as otherwise provided in subsection 3, use the facilities of the state park or recreational area without paying the entrance fee.
- 3. An annual permit issued pursuant to subsection 2 does not authorize the holder of the permit to engage in camping or boating, or to attend special events. The holder of such a permit who wishes to engage in camping or boating, or to attend special events, must pay any fee established for the respective activity.
- 4. Except as otherwise provided in subsection 1 of NRS 407.0762 and subsection 1 of NRS 407.0765, the fees collected pursuant to paragraphs (d), (e) and (f) of subsection 1 or subsection 2 must be deposited in the State General Fund.
- Sec. 7. Chapter 408 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Governor may, upon receiving a recommendation from the [Citizen Commission on Veterans Memorials created by section 9 of this act.] Nevada Veterans Services Commission pursuant to section 10 of this act. require the Director to name, subject to the provisions of this chapter, a highway, road, bridge or transportation facility of this State after a deceased member of the Armed Forces of the United States.
- 2. The Director shall, as soon as sufficient money is available from the Nevada Will Always Remember Veterans Gift Account created by section 11 of this act, cause to be designed, procured and installed an appropriate marker, plaque, statue or sign bearing the name of the deceased member of the Armed Forces of the United States at or upon the respective highway, road, bridge or transportation facility as required by the Governor pursuant to subsection 1.
- Sec. 8. Chapter 417 of NRS is hereby amended by adding thereto the provisions set forth as sections 9, 10 and 11 of this act.
- Sec. 9. [1. The Citizen Commission on Veterans Memorials is hereby created, consisting of the following nine members appointed by the Governor:
  - (a) Three members of the Governor's own selection;
- (b) Two members nominated by the Majority Leader of the Senate;
- (c) One member nominated by the Minority Leader of the Senate;

- (d) Two members nominated by the Speaker of the Assembly; and
- (e) One member nominated by the Minority Leader of the Assembly.
- 2. After the initial term, the term of each member is 3 years. A member continues to serve on the Commission until his or her successor is appointed. A vacancy on the Commission must be filled in the same manner as the original appointment. Upon the expiration of a term of a member, the member may be reappointed. There is no limit on the number of terms that a member may serve.
- 3. The Commission shall annually choose one of its members to serve as Chair and one of its members to serve as Vice Chair.
- 4. The Commission shall hold at least two regular meetings each year and may hold special meetings at the eall of the Chair.
- 5. A majority of the Commission constitutes a quorum for the transaction of any business.
- 6. A vacancy on the Commission does not impair the right of the remaining members to perform any of the duties of the Commission.
- 7. The members of the Commission serve without compensation, except that for each day or portion of a day during which a member of the Commission attends a meeting of the Commission, the member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally. The per diem allowances and travel expenses must be paid by the Office of Veterans Services.
- 8. The Office of Veterans Services shall provide administrative support, equipment and office space as is necessary for the Commission to earry out its duties.] (Deleted by amendment.)
- Sec. 10. 1. The <u>{Citizen Commission on Veterans Memorials created by section 9 of this aet} Nevada Veterans Services Commission shall recommend to the Governor:</u>
- (a) The names of deceased members of the Armed Forces of the United States to be honored pursuant to the provisions of section 1, 5 or 7 of this act. Each deceased member must have been:
  - (1) A resident of this State; and
  - (2) Killed in action in:
    - (I) Operation Enduring Freedom; or
    - (II) Operation Iraqi Freedom.
- (b) The building, ground, property, park, monument, recreational area, highway, road, bridge or transportation facility of this State which may be named after a deceased member recommended to the Governor pursuant to paragraph (a).
- 2. The Commission shall develop criteria to be used in determining the names to be recommended to the Governor pursuant to subsection 1.
- 3. As used in this section, the terms "killed in action," "Operation Enduring Freedom" and "Operation Iraqi Freedom" have the meanings ascribed to them by the United States Department of Defense.

- Sec. 11. 1. The Nevada Will Always Remember Veterans Gift Account is hereby created in the State General Fund.
- 2. The Executive Director and the Deputy Executive Director may accept donations, gifts and grants of money from any source for deposit in the Account.
- 3. The money deposited in the Account pursuant to subsection 2 may only be used to pay for the design, procurement and installation of markers, plaques, statues or signs bearing the names of deceased members of the Armed Forces of the United States pursuant to the provisions of section 1, 5 or 7 of this act.
- 4. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.
- 5. Any money remaining in the Account at the end of the each fiscal year does not revert to the State General Fund, but must be carried over to the next fiscal year.
  - Sec. 11.5. NRS 417.190 is hereby amended to read as follows:
  - 417.190 The Nevada Veterans Services Commission shall:
  - 1. Advise the Executive Director and Deputy Executive Director.
- 2. Make recommendations to the Governor, the Legislature, the Executive Director and the Deputy Executive Director regarding aid or benefits to veterans.
- 3. Make recommendations to the Governor pursuant to section 10 of this act.
  - Sec. 12. NRS 417.220 is hereby amended to read as follows:
- 417.220 1. The Account for Veterans Affairs is hereby created in the State General Fund.
- 2. Money received by the Executive Director or the Deputy Executive Director from:
  - (a) Fees charged pursuant to NRS 417.210;
- (b) Allowances for burial from the Department of Veterans Affairs or other money provided by the Federal Government for the support of veterans cemeteries;
  - (c) Receipts from the sale of gifts and general merchandise;
- (d) Grants obtained by the Executive Director or the Deputy Executive Director for the support of veterans cemeteries; and
- (e) Except as otherwise provided in subsection 6 and NRS 417.145 and 417.147, *and section 11 of this act*, gifts of money and proceeds derived from the sale of gifts of personal property that he or she is authorized to accept, if the use of such gifts has not been restricted by the donor,
- → must be deposited with the State Treasurer for credit to the Account for Veterans Affairs and must be accounted for separately for a veterans cemetery in northern Nevada or a veterans cemetery in southern Nevada, whichever is appropriate.
- 3. The interest and income earned on the money deposited pursuant to subsection 2, after deducting any applicable charges, must be accounted for

separately. Interest and income must not be computed on money appropriated from the State General Fund to the Account for Veterans Affairs.

- 4. The money deposited pursuant to subsection 2 may only be used for the operation and maintenance of the cemetery for which the money was collected. In addition to personnel he or she is authorized to employ pursuant to NRS 417.200, the Executive Director may use money deposited pursuant to subsection 2 to employ such additional employees as are necessary for the operation and maintenance of the cemeteries, except that the number of such additional full-time employees that the Executive Director may employ at each cemetery must not exceed 60 percent of the number of full-time employees for national veterans cemeteries that is established by the National Cemetery Administration of the United States Department of Veterans Affairs.
- 5. Except as otherwise provided in subsection 7, gifts of personal property which the Executive Director or the Deputy Executive Director is authorized to receive but which are not appropriate for conversion to money may be used in kind.
- 6. The Gift Account for Veterans Cemeteries is hereby created in the State General Fund. Gifts of money that the Executive Director or the Deputy Executive Director is authorized to accept and which the donor has restricted to one or more uses at a veterans cemetery must be accounted for separately in the Gift Account for Veterans Cemeteries. The interest and income earned on the money deposited pursuant to this subsection must, after deducting any applicable charges, be accounted for separately for a veterans cemetery in northern Nevada or a veterans cemetery in southern Nevada, as applicable. Any money remaining in the Gift Account for Veterans Cemeteries at the end of each fiscal year does not revert to the State General Fund, but must be carried over into the next fiscal year.
- 7. The Executive Director or the Deputy Executive Director shall use gifts of money or personal property that he or she is authorized to accept and for which the donor has restricted to one or more uses at a veterans cemetery in the manner designated by the donor, except that if the original purpose of the gift has been fulfilled or the original purpose cannot be fulfilled for good cause, any money or personal property remaining in the gift may be used for other purposes at the veterans cemetery in northern Nevada or the veterans cemetery in southern Nevada, as appropriate.
- Sec. 13. [1. As soon as practicable after July 1, 2013, nominations for the membership of the Citizen Commission on Veterans Memorials created by section 9 of this act must be conducted as follows:
- (a) The Majority Leader of the Senate shall nominate two members pursuant to paragraph (b) of subsection 1 of that section;
- (b) The Minority Leader of the Senate shall nominate one member pursuant to paragraph (c) of that subsection;
- (e) The Speaker of the Assembly shall nominate two members pursuant to paragraph (d) of that subsection; and

- (d) The Minority Leader of the Assembly shall nominate one member pursuant to paragraph (e) of that subsection.
- The Governor must be notified of each nomination made pursuant to this subsection.
- 2. As soon as practicable after receiving the nominations required pursuant to subsection 1, the Governor shall appoint to the Commission:
  - (a) Three members to terms that expire on June 30, 2014;
  - (b) Three members to terms that expire on June 30, 2015; and
- (e) Three members to terms that expire on June 30, 2016.] (Deleted by amendment.)

Sec. 14. This act becomes effective on July 1, 2013.

Senator Hutchison moved the adoption of the amendment.

Remarks by Senator Hutchison.

Amendment No. 196 to Senate Bill No. 174 deletes the creation of the Citizen Commission on Veterans Memorials and places the duties of that Commission with the Veterans' Services Commission. The gift account created in the original bill remains intact as do the provisions for selecting and recommending service members' names to the Governor and for naming buildings or other properties in their honor.

Amendment adopted.

Senator Smith moved that Senate Bill No. 174 be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 177.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 68.

"SUMMARY—Prohibits a minor from committing certain acts relating to the possession and use of tobacco products. (BDR 5-689)"

"AN ACT relating to tobacco; prohibiting a minor from committing certain acts relating to the possession and use of tobacco products; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 10 of this bill prohibits a minor from purchasing or attempting to purchase tobacco products, possessing or attempting to possess tobacco products, using tobacco products or falsely representing his or her age to purchase, possess or obtain tobacco products. Section 4 of this bill provides that a child may be issued a citation for violating the provisions of section 10, while section 3 of this bill provides that a probation officer may act as a master of the juvenile court if the proceeding involves such a citation. Under sections 3.3, 3.7 and 10 of this bill, a child who violates the provisions of section 10 is a child in need of supervision for the purposes of juvenile court proceedings rather than a delinquent child.

Section 5 of this bill sets forth the possible punishment [for] if a child is adjudicated to be in need of supervision because the child has committed a

violation of section 10. [, which includes] Under section 5, the juvenile court may order a child to pay a \$25 fine for a first [offense,] adjudication, a \$50 fine for a second [offense,] adjudication and a \$75 fine for a third [offense, and a \$75 fine plus the requirement to] or any subsequent adjudication. If the juvenile court orders a child to pay such a fine, section 5 requires the juvenile court to order the child to pay a \$10 administrative assessment in addition to the fine. Section 5 further provides that: (1) for any adjudication that a child is in need of supervision because the child committed a violation of section 10, the juvenile court may order a child to attend a tobacco awareness and cessation program [for a fourth or subsequent offense. Fines collected under section 5 are required to be deposited in the Account for Health Education for Minors.

Section 8 of this bill provides that if a child who is ordered to attend and complete a tobacco awareness and cessation program pursuant to section 5 successfully completes that program, the juvenile court is required to enter an order sealing all records pertaining to any offense related to tobacco that was committed by the child before the date on which the court ordered the child to attend and complete the program.]; and (2) for a third or any subsequent adjudication or for a willful failure by the child to pay a fine or administrative assessment, the juvenile court may order a suspension or delay in the issuance of the child's driver's license for at least 30 days but not more than 90 days. Under section 5, if the juvenile court orders the suspension or delay in the issuance of a child's driver's license, the juvenile court may order the Department of Motor Vehicles to issue to the child a restricted driver's license that authorizes the child to drive to and from school or work or to acquire medicine or food for himself or herself or for an immediate family member.

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

Section 1. Chapter 62A of NRS is hereby amended by adding thereto a new section to read as follows:

"Offense related to tobacco" means a violation of section 10 of this act.

- Sec. 2. NRS 62A.010 is hereby amended to read as follows:
- 62A.010 As used in this title, unless the context otherwise requires, the words and terms defined in NRS 62A.020 to 62A.350, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.
  - Sec. 3. NRS 62B.020 is hereby amended to read as follows:
- 62B.020 1. Except as otherwise provided in this section, the juvenile court or the chief judge of the judicial district may appoint any person to act as a master of the juvenile court if the person is qualified by previous experience, training and demonstrated interest in the welfare of children to act as a master of the juvenile court.
- 2. A probation officer shall not act as a master of the juvenile court unless the proceeding concerns:
  - (a) A minor traffic offense; [or]

- (b) An offense related to tobacco; or
- (c) A child who is alleged to be a habitual truant.
- 3. If a person is appointed to act as a master of the juvenile court, the person shall attend instruction at the National College of Juvenile and Family Law in Reno, Nevada, in a course designed for the training of new judges of the juvenile court on the first occasion when such instruction is offered after the person is appointed.
- 4. If, for any reason, a master of the juvenile court is unable to act, the juvenile court or the chief judge of the judicial district may appoint another qualified person to act temporarily as a master of the juvenile court during the period that the master who is regularly appointed is unable to act.
  - 5. The compensation of a master of the juvenile court:
  - (a) May not be taxed against the parties.
- (b) Must be paid out of appropriations made for the expenses of the district court, if the compensation is fixed by the juvenile court.

#### Sec. 3.3. NRS 62B.320 is hereby amended to read as follows:

- 62B.320 1. Except as otherwise provided in this title, the juvenile court has exclusive original jurisdiction in proceedings concerning any child living or found within the county who is alleged or adjudicated to be in need of supervision because the child:
- (a) Is subject to compulsory school attendance and is a habitual truant from school:
- (b) Habitually disobeys the reasonable and lawful demands of the parent or guardian of the child and is unmanageable;
- (c) Deserts, abandons or runs away from the home or usual place of abode of the child and is in need of care or rehabilitation; <del>[orl</del>]
- (d) Uses an electronic communication device to transmit or distribute a sexual image of himself or herself to another person or to possess a sexual image in violation of NRS 200.737  $\frac{1}{1000}$ ; or

### (e) Commits an offense related to tobacco.

- 2. A child who is subject to the jurisdiction of the juvenile court pursuant to this section must not be considered a delinquent child.
  - 3. As used in this section:
- (a) "Electronic communication device" has the meaning ascribed to it in NRS 200.737.
  - (b) "Sexual image" has the meaning ascribed to it in NRS 200.737.

### Sec. 3.7. NRS 62B.330 is hereby amended to read as follows:

- 62B.330 1. Except as otherwise provided in this title, the juvenile court has exclusive original jurisdiction over a child living or found within the county who is alleged or adjudicated to have committed a delinquent act.
- 2. For the purposes of this section, a child commits a delinquent act if the child:
  - (a) Violates a county or municipal ordinance;
  - (b) Violates any rule or regulation having the force of law; or

- (c) Commits an act designated a criminal offense pursuant to the laws of the State of Nevada  $\boxminus$  other than an offense related to tobacco.
- 3. For the purposes of this section, each of the following acts shall be deemed not to be a delinquent act, and the juvenile court does not have jurisdiction over a person who is charged with committing such an act:
- (a) Murder or attempted murder and any other related offense arising out of the same facts as the murder or attempted murder, regardless of the nature of the related offense.
- (b) Sexual assault or attempted sexual assault involving the use or threatened use of force or violence against the victim and any other related offense arising out of the same facts as the sexual assault or attempted sexual assault, regardless of the nature of the related offense, if:
- (1) The person was 16 years of age or older when the sexual assault or attempted sexual assault was committed; and
- (2) Before the sexual assault or attempted sexual assault was committed, the person previously had been adjudicated delinquent for an act that would have been a felony if committed by an adult.
- (c) An offense or attempted offense involving the use or threatened use of a firearm and any other related offense arising out of the same facts as the offense or attempted offense involving the use or threatened use of a firearm, regardless of the nature of the related offense, if:
- (1) The person was 16 years of age or older when the offense or attempted offense involving the use or threatened use of a firearm was committed; and
- (2) Before the offense or attempted offense involving the use or threatened use of a firearm was committed, the person previously had been adjudicated delinquent for an act that would have been a felony if committed by an adult.
- (d) A felony resulting in death or substantial bodily harm to the victim and any other related offense arising out of the same facts as the felony, regardless of the nature of the related offense, if:
- (1) The felony was committed on the property of a public or private school when pupils or employees of the school were present or may have been present, at an activity sponsored by a public or private school or on a school bus while the bus was engaged in its official duties; and
- (2) The person intended to create a great risk of death or substantial bodily harm to more than one person by means of a weapon, device or course of action that would normally be hazardous to the lives of more than one person.
- (e) A category A or B felony and any other related offense arising out of the same facts as the category A or B felony, regardless of the nature of the related offense, if the person was at least 16 years of age but less than 18 years of age when the offense was committed, and:

- (1) The person is not identified by law enforcement as having committed the offense and charged before the person is at least 20 years, 3 months of age, but less than 21 years of age; or
- (2) The person is not identified by law enforcement as having committed the offense until the person reaches 21 years of age.
- (f) Any other offense if, before the offense was committed, the person previously had been convicted of a criminal offense.
- Sec. 4. Chapter 62C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. If a child is stopped or otherwise detained by a peace officer for an offense related to tobacco, the peace officer may prepare and issue a citation in the same manner in which a traffic citation is prepared and issued pursuant to NRS 62C.070.
- 2. If a child who is issued a citation for an offense related to tobacco executes a written promise to appear in court by signing the citation, the peace officer:
  - (a) Shall deliver a copy of the citation to the child; and
  - (b) Shall not take the child into physical custody for the violation.
- Sec. 5. Chapter 62E of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. If a child is <del>[found to have]</del> <u>adjudicated to be in need of supervision</u> <u>because the child has</u> committed an offense related to tobacco, the juvenile court may:
- (a) [For the first offense,] The first time the child is adjudicated to be in need of supervision because the child has committed an offense related to tobacco, order the child to [pay]:
  - (1) Pay a fine of \$25 [-]; and
  - (2) Attend and complete a tobacco awareness and cessation program.
- (b) [For the second offense,] The second time the child is adjudicated to be in need of supervision because the child has committed an offense related to tobacco, order the child to [pay]:
  - (1) Pay a fine of \$50 [-]; and
  - (2) Attend and complete a tobacco awareness and cessation program.
- (c) [For the third offense,] The third or any subsequent time the child is adjudicated to be in need of supervision because the child has committed an offense related to tobacco, order [the child to pay]:
  - (1) The child to pay a fine of \$75 [.
  - (d) For the fourth offense or any subsequent offense, order the child:
    - (1) To pay a fine of \$75; and
- (2) To attend and complete a tobacco awareness and cessation program. The ;
- (2) The child to attend and complete a tobacco awareness and cessation program; and
- (3) That the driver's license of the child be suspended for at least 30 days but not more than 90 days or, if the child does not possess a driver's

- <u>license</u>, <u>prohibit the child from receiving a driver's license for at least</u> 30 days but not more than 90 days:
- (I) Immediately following the date of the order, if the child is eligible to receive a driver's license.
- (II) After the date the child becomes eligible to apply for a driver's license, if the child is not eligible to receive a license on the date of the order.
- 2. If the juvenile court orders a child to attend and complete a tobacco awareness and cessation program, the juvenile court may order the child or the parent or guardian of the child, or both, to pay the reasonable cost for the child to attend the program.
- [2.] 3. If the juvenile court fimposes] orders a child to pay a fine pursuant to this section, the juvenile court shall order the child to pay an administrative assessment pursuant to NRS 62E.270.
- f 3. If, because of financial hardship, the child is unable to pay a fine imposed pursuant to this section, the juvenile court may order the child to perform community service.]
- 4. [The money collected from any fine imposed pursuant to this section must be deposited with the State Treasurer for credit to the Account for Health Education for Minors created pursuant to NRS 202.24925.] If the juvenile court orders a child to pay a fine and administrative assessment pursuant to this section and the child willfully fails to pay the fine or administrative assessment, the juvenile court may order that the driver's license of the child be suspended for at least 30 days but not more than 90 days or, if the child does not possess a driver's license, prohibit the child from receiving a driver's license for at least 30 days but not more than 90 days:
- (a) Immediately following the date of the order, if the child is eligible to receive a driver's license.
- (b) After the date the child becomes eligible to apply for a driver's license, if the child is not eligible to receive a license on the date of the order.
- → If the child is already the subject of a court order suspending or delaying the issuance of the driver's license of the child, the juvenile court shall order the additional suspension or delay, as appropriate, to apply consecutively with the previous order.
- 5. If the juvenile court suspends the driver's license of a child pursuant to this section, the juvenile court may order the Department of Motor Vehicles to issue a restricted driver's license pursuant to NRS 483.490 permitting the child to drive a motor vehicle:
  - (a) To and from work or in the course of his or her work, or both;
  - (b) To and from school; or
- (c) To acquire supplies of medicine or food or receive regularly scheduled medical care for himself, herself or a member of his or her immediate family.
  - Sec. 6. NRS 62E.270 is hereby amended to read as follows:
  - 62E.270 1. If the juvenile court imposes a fine against:
  - (a) A delinquent child pursuant to NRS 62E.730;

- (b) A child who has committed a minor traffic offense, except an offense related to metered parking, pursuant to NRS 62E.700; or
- (c) A child in need of supervision, or the parent or guardian of the child, because the child is a habitual truant pursuant to NRS 62E.430,
- → the juvenile court shall order the child or the parent or guardian of the child to pay an administrative assessment of \$10 in addition to the fine.
- 2. If, pursuant to section 5 of this act, the juvenile court imposes a fine against a child who has committed an offense related to tobacco, the juvenile court shall order the child to pay an administrative assessment of \$10 in addition to the fine.
- 3. The juvenile court shall state separately on its docket the amount of money that the juvenile court collects for the administrative assessment.
- [3.] 4. If the child is found not to have committed the alleged act or the charges are dropped, the juvenile court shall return to the child or the parent or guardian of the child any money deposited with the juvenile court for the administrative assessment.
- [4.] 5. On or before the fifth day of each month for the preceding month, the clerk of the court shall pay to the county treasurer the money the juvenile court collects for administrative assessments.
- [5.] 6. On or before the 15th day of each month, the county treasurer shall deposit the money in the county general fund for credit to a special account for the use of the county's juvenile court or for services to delinquent children.
  - Sec. 6.5. NRS 62E.400 is hereby amended to read as follows:
- 62E.400 1. The provisions of this section and NRS 62E.410, 62E.420 and 62E.430 <u>and section 5 of this act</u> apply to the disposition of a case involving a child who is found to be within the purview of this title because the child is or is alleged to be in need of supervision.
  - 2. If such a child is found to be within the purview of this title:
- (a) The juvenile court may issue any orders or take any actions set forth in NRS 62E.410, 62E.420 and 62E.430 and section 5 of this act that the juvenile court deems proper for the disposition of the case; and
- (b) If required by a specific statute, the juvenile court shall issue the appropriate orders or take the appropriate actions set forth in the statute.
  - Sec. 7. [NRS 62E.500 is hereby amended to read as follows:
- 62E.500 1. The provisions of NRS 62E.500 to 62E.730, inclusive [:] -, and section 5 of this act:
- (a) Apply to the disposition of a case involving a child who is adjudicated delinquent.
- (b) Except as otherwise provided in NRS 62E.700 and 62E.705, do not apply to the disposition of a case involving a child who is found to have committed a minor traffic offense.
- (e) Except as otherwise provided in section 5 of this act, do not apply to the disposition of a case involving a child who is found to have committed at offense related to tobacco.

- 2. If a child is adjudicated delinquent:
- (a) The juvenile court may issue any orders or take any actions set forth in NRS 62E.500 to 62E.730, inclusive, that the juvenile court deems proper for the disposition of the ease; and
- (b) If required by a specific statute, the juvenile court shall issue the appropriate orders or take the appropriate actions set forth in the statute.] (Deleted by amendment.)
- Sec. 8. [Chapter 62H of NRS is hereby amended by adding thereto a new section to read as follows:

If a child who is ordered to attend and complete a tobacco awareness and cessation program pursuant to section 5 of this act successfully completes that program, the juvenile court shall enter an order sealing all records pertaining to any offense related to tobacco that was committed by the child before the date on which the court ordered the child to attend and complete the program.] (Deleted by amendment.)

- Sec. 9. INRS 62H.100 is hereby amended to read as follows:
- 62H.100 1. As used in NRS 62H.100 to 62H.170, inclusive, and section 8 of this act, unless the context otherwise requires, "records" means any records relating to a child who is within the purview of this title and who:
- (a) Is taken into custody by a peace officer or a probation officer or is otherwise taken before a probation officer; or
- (b) Appears before the juvenile court or any other court pursuant to the provisions of this title.
  - 2. The term includes records of arrest.] (Deleted by amendment.)
- Sec. 10. Chapter 202 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a child who is under the age of 18 years shall not:
  - (a) Purchase or attempt to purchase tobacco products;
  - (b) Possess or attempt to possess tobacco products;
  - (c) Use tobacco products; or
- (d) Falsely represent that he or she is 18 years of age or older to purchase, possess or obtain tobacco products.
- 2. A child who is under the age of 18 years and who violates the provisions of this section feommits:
- (a) Commits an offense related to tobacco and is subject to the provisions of section 5 of this act.
- (b) Is a child in need of supervision, as that term is used in title 5 of NRS, and is not a delinquent child.
- 3. The provisions of this section do not apply to a child who is under the age of 18 years and who is:
  - (a) Assisting in an inspection pursuant to NRS 202.2496;
- (b) Handling or transporting tobacco products in the course of his or her lawful employment; or

- (c) Handling or transporting tobacco products in the presence of his or her parent, spouse or legal guardian who is 18 years of age or older.
- 4. As used in this section, "tobacco products" means cigarettes, cigarette paper, tobacco of any description or products made from tobacco.
  - Sec. 11. NRS 202.2485 is hereby amended to read as follows:

202.2485 As used in NRS 202.2485 to 202.2497, inclusive  $\frac{[\cdot]}{[\cdot]}$ , and section 10 of this act:

- 1. "Distribute" includes furnishing, giving away or providing products made from tobacco or samples thereof at no cost to promote the product, whether or not in combination with a sale.
- 2. "Health authority" means the district health officer in a district, or his or her designee, or, if none, the State Health Officer, or his or her designee.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 68 to Senate Bill No. 177 makes the following changes: (1) it provides that a child who violates the provisions of this act is a child in need of supervision (not a delinquent child), meaning it will remain a status offense; (2) it adds the referral of a child to a tobacco awareness and cessation program for the first, second and third offenses; (3) it also creates a situation where if the fines are not paid, it allows the court to restrict a driver's license or the obtaining of a driver's license for a period of time to encourage the payment of those fines.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 183.

Bill read second time.

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

Amendment No. 222.

"SUMMARY—Enacts provisions governing manufacturers of certain electronic devices. (BDR 40-556)"

"AN ACT relating to recycling; prohibiting a manufacturer from selling or offering for sale in this State certain new electronic devices under certain circumstances; authorizing a manufacturer to carry out a program to collect, transport and recycle certain electronic devices of the manufacturer; requiring each manufacturer of such an electronic device to register annually with the Division of Environmental Protection of the State Department of Conservation and Natural Resources; requiring a manufacturer that carries out a program to recycle such electronic devices to report certain information about the program to the Division; establishing annual registration fees; creating the Account for Recycling Covered Electronic Devices; authorizing the Division to award certain grants from the Account; requiring the Division to maintain on the Internet a directory containing certain information relating to manufacturers of such electronic devices; prohibiting a retailer from selling or offering for sale in this State such an electronic device under certain circumstances; prescribing administrative fines for certain violations; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill generally provides for the recycling of covered electronic devices sold in this State pursuant to a program carried out by a manufacturer to collect, transport and recycle the covered electronic devices of the manufacturer.

Section 7 of this bill defines a "covered electronic device" as a computer\_, computer peripheral, facsimile machine, digital video playback device or certain video display devices with a screen that is larger than 4 inches measured diagonally. Section 13 of this bill prohibits a manufacturer from selling or offering for sale in this State a new covered electronic device unless the manufacturer complies with certain requirements. Section 14 of this bill authorizes a manufacturer to carry out a voluntary program to collect, transport and recycle the covered electronic devices of the manufacturer. Section 15 of this bill requires a manufacturer to register annually with the Division of Environmental Protection of the State Department of Conservation and Natural Resources and prescribes the contents of a registration form. Section 16 of this bill requires a manufacturer that carries out a voluntary recycling program pursuant to section 14 to include with its annual registration form certain information relating to the recycling program. Sections 17 and 23 of this bill prescribe the fee which a manufacturer must submit with its annual registration form. The annual registration fee is based on the manufacturer's sales of covered electronic devices in this State during the preceding calendar year and whether the manufacturer is carrying out a voluntary recycling program pursuant to section 14. Section 18 of this bill creates the Account for Recycling Covered Electronic Devices and authorizes the Division to award grants from the Account to assist a city or county in carrying out a recycling program. Section 19 of this bill requires the Division to publish and maintain on the Internet a directory of each brand and manufacturer registered with the Division and certain other information. Section 20 of this bill prohibits a retailer from selling or offering for sale in this State a new covered electronic device under certain circumstances. [Section] Sections 22 and 23.5 of this bill <del>[establishes]</del> establish administrative fines for certain violations. Section 24 of this bill requires the Division to conduct and report to the Legislature the findings of a workshop to assess the impact of the annual registration fees collected pursuant to section 17.

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

- Section 1. Chapter 444A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 22, inclusive, of this act.
- Sec. 2. As used in sections 2 to 22, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 12, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Account" means the Account for Recycling Covered Electronic Devices created by section 18 of this act.

- Sec. 4. "Brand" means any name, symbol, word or mark that identifies a covered electronic device, other than any of its components, and attributes the covered electronic device to the owner of the brand as the manufacturer.
- Sec. 5. [1.] "Computer" means a desktop computer or laptop computer, including, without limitation, the monitor of the computer.

#### f 2. The term does not include:

#### (a) A personal digital assistant; or

### (b) A computer peripheral.]

- Sec. 6. "Computer peripheral" means a keyboard, mouse, printer or other device which is intended for external use with a computer and which provides input into or output from a computer.
- Sec. 7. "Covered electronic device" means a computer <u>, computer peripheral, facsimile machine, digital video playback device</u> or video display device with a screen that is larger than 4 inches measured diagonally. The term does not include a video display device which is part of a motor vehicle or which is contained within a household appliance or any commercial, industrial or medical equipment.
- Sec. 8. "Division" means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.
- Sec. 9. <u>1.</u> "Manufacturer" means a person who is the owner of a brand of covered electronic devices which are sold or offered for sale in this State by any means, including, without limitation, devices which are sold or offered for sale remotely through a sales outlet, catalog or Internet website. The term includes, without limitation, the owner of a brand of covered electronic devices who:
- (a) Maintains, occupies or uses, permanently or temporarily, directly or indirectly, or through a subsidiary or agent, an office, place of distribution, sales or sample room or place, warehouse or storage place or other place of business in this State; or
- (b) Enters into any agreement under which a person, for a commission or other consideration, directly or indirectly refers a potential purchaser of a covered electronic device in this State to the owner of a brand of covered electronic devices, whether through a sales outlet, catalog, Internet website or otherwise.
- 2. The term does not include a person who holds a nonrestricted gaming license issued pursuant to chapter 463 of NRS.
- Sec. 10. "Manufacturer recycling program" means a statewide program to collect, transport and recycle covered electronic devices that is carried out by one or more manufacturers pursuant to section 14 of this act.
- Sec. 11. "Recycling" means any process in which materials that would otherwise become solid waste are collected, separated or processed and returned to the marketplace in the form of raw materials or products.
- Sec. 12. 1. "Video display device" means an electronic device with an output surface that displays or is capable of displaying, through the use of a cathode-ray tube, a liquid crystal display, gas plasma, digital light

processing or any other image-projection technology, moving graphical images or visual representations of image sequences or pictures that show a number of quickly changing images on a screen to create the illusion of motion.

- 2. The term includes a device which is an integral part of the display and cannot easily be removed from the display by a consumer and which produces the moving image on a screen.
- Sec. 13. 1. Sections 2 to 22, inclusive, of this act apply to any manufacturer that sells or offers for sale a new covered electronic device in this State.
- 2. A manufacturer shall not sell or offer for sale in this State a new covered electronic device unless:
- (a) The covered electronic device is clearly labeled with the name or a brand of the manufacturer;
- (b) The manufacturer has registered with the Division pursuant to section 15 of this act; and
- (c) The manufacturer has submitted to the Division any registration fee required by section 17 of this act.
- Sec. 14. 1. A manufacturer may, either individually or collectively with one or more manufacturers, carry out a manufacturer recycling program to collect, transport and recycle the covered electronic devices of the manufacturer. A manufacturer may carry out the program by:
- (a) Providing a method of returning to the manufacturer the covered electronic devices of the manufacturer at no cost to the person returning a covered electronic device, including, without limitation, the option to:
- (1) Return a covered electronic device in a package for which postage is prepaid by the manufacturer; or
- (2) Deposit a covered electronic device at a designated collection point in this State;
- (b) Contracting with a recycler, local government, another manufacturer or any other person to provide for the collection, transportation and recycling of the covered electronic devices of the manufacturer; or
- (c) Participating in any program approved by the Division which provides for the collection, transportation and recycling of the covered electronic devices of the manufacturer.
- 2. A manufacturer that carries out a manufacturer recycling program shall:
- (a) Establish and maintain a toll-free telephone number and an Internet website to provide information to consumers about the manufacturer recycling program, including, without limitation, instructions on how to return a covered electronic device to the manufacturer.
- (b) Include educational and instructional materials relating to the destruction and sanitization of data from a covered electronic device:
- (1) With each new covered electronic device sold or offered for sale in this State;

- (2) On the Internet website established pursuant to paragraph (a); or
- (3) As information provided to consumers at the toll-free telephone number established pursuant to paragraph (a).
- Sec. 15. 1. On or before March 1 of each year, each manufacturer of a covered electronic device that is sold or offered for sale in this State shall register with the Division on a form provided by the Division.
  - 2. A registration form submitted pursuant to subsection 1 must include:
- (a) A list of each brand under which the manufacturer sells or offers for sale a covered electronic device in this State.
- (b) The total number of covered electronic devices sold by the manufacturer in this State during the preceding calendar year, including, without limitation, each type of covered electronic device sold and each brand under which a covered electronic device was sold.
- (c) A statement indicating whether the manufacturer is carrying out a manufacturer recycling program and the date of implementation of the program.
- (d) If the manufacturer carried out a manufacturer recycling program during the preceding calendar year:
- (1) The toll-free telephone number and the address of the Internet website established by the manufacturer pursuant to paragraph (a) of subsection 2 of section 14 of this act; and
  - (2) The report required by section 16 of this act.
  - (e) Any other information required by the Division for the registration.
- 3. The Division shall review each registration form submitted by a manufacturer pursuant to this section to determine whether the registration form is complete. If the Division determines that a registration form is incomplete, the Division shall cause written notice of the insufficiency to be mailed to the manufacturer that submitted the registration form. The notice must clearly identify each defect in the registration form. The manufacturer shall, not later than 60 days after receiving a notice of insufficiency, submit a revised registration form which cures each defect identified in the notice.
- 4. A manufacturer that carries out a manufacturer recycling program shall notify the Division before implementing any significant change in the operation or scope of the manufacturer recycling program.
- 5. All sales data submitted to the Division by a manufacturer pursuant to this section is proprietary and confidential and must not be disclosed by the Division except as otherwise authorized by law.
- Sec. 16. A manufacturer shall, for each calendar year in which it carries out a manufacturer recycling program, prepare and submit to the Division with its annual registration form a report which contains the following information:
- 1. The total weight of covered electronic devices received by the manufacturer pursuant to the manufacturer recycling program during the calendar year;

- 2. The total number of covered electronic devices recycled, refurbished or reused pursuant to the manufacturer recycling program during the calendar year; and
- 3. The processes and methods used to recycle, refurbish or reuse covered electronic devices received pursuant to the manufacturer recycling program.
- Sec. 17. 1. A manufacturer shall submit to the Division with its initial annual registration form a fee of:
- (a) For a manufacturer that sold at least 100 but not more than 999 covered electronic devices in this State during the preceding calendar year, \$5,000.
- (b) For a manufacturer that sold 1,000 or more covered electronic devices in this State during the preceding calendar year, \$10,000.
- 2. A manufacturer shall submit with each subsequent annual registration form a fee of:
- (a) For a manufacturer that sold at least 100 but not more than 999 covered electronic devices in this State during the preceding calendar year:
- (1) If the manufacturer is carrying out a manufacturer recycling program at the time of registration, \$500.
- (2) If the manufacturer is not carrying out a manufacturer recycling program at the time of registration, \$5,000.
- (b) For a manufacturer that sold 1,000 or more covered electronic devices in this State during the preceding calendar year:
- (1) If the manufacturer is carrying out a manufacturer recycling program at the time of registration, \$500.
- (2) If the manufacturer is not carrying out a manufacturer recycling program at the time of registration, \$10,000.
- 3. A manufacturer that sold fewer than 100 covered electronic devices in this State during the preceding calendar year is not required to pay a registration fee pursuant to this section.
- 4. All registration fees submitted pursuant to this section must be deposited with the State Treasurer for credit to the Account.
- Sec. 18. 1. There is hereby created in the State General Fund the Account for Recycling Covered Electronic Devices. The Administrator of the Division shall administer the Account.
  - 2. The Account consists only of money:
  - (a) Received by the Division pursuant to sections 17 and 22 of this act;
- (b) Accepted by the Division as a grant, gift or donation for deposit into the Account; or
  - (c) Directly appropriated to the Account by the Legislature.
- 3. The money in the Account may only be expended by the Division to faward:
- (a) Award grants of money to a city or county in this State to carry out a program of recycling  $\frac{f-1}{f}$ ; and
  - (b) Carry out the provisions of sections 2 to 22, inclusive, of this act.

- 4. The money in the Account must be invested as other money of the State is invested, and the interest and income earned on the money in the Account must be credited to the State General Fund. All claims against the Account must be paid as other claims against the State are paid.
- 5. Any balance remaining in the Account at the end of each fiscal year which is in excess of \$2,000,000 and which has not been committed for expenditure on or before June 30 of that fiscal year reverts to the State General Fund.
- 6. The Director of the State Department of Conservation and Natural Resources shall include in the biennial report submitted to the Legislature pursuant to NRS 444A.070 a description of each grant of money awarded pursuant to this section during the previous biennium.
- 7. The Division shall adopt regulations governing the award of a grant pursuant to this section.
- Sec. 19. The Division shall publish and maintain on the Internet website maintained by the Division a directory listing:
- 1. Each brand and manufacturer registered with the Division pursuant to section 15 of this act.
- 2. The toll-free telephone number and Internet website of each manufacturer that is carrying out a manufacturer recycling program pursuant to section 14 of this act.
- Sec. 20. 1. A retailer shall not sell or offer for sale in this State a new covered electronic device unless:
- (a) The manufacturer of the covered electronic device is registered with the Division pursuant to section 15 of this act; and
- (b) The covered electronic device is clearly labeled with the name or a brand of the manufacturer.
- 2. A retailer may rely on the directory maintained by the Division pursuant to section 19 of this act for the purposes of complying with paragraph (a) of subsection 1.
- 3. As used in this section, "retailer" means any person who sells or offers for sale at retail a new covered electronic device to a consumer in this State.
- Sec. 21. The Division may adopt regulations to carry out the provisions of sections 2 to 22, inclusive, of this act.
- Sec. 22. 1. <u>[Except as otherwise provided in subsection 2, the]</u> <u>The Division may impose an administrative fine of not more than \$10,000 against a person who violates any provision of sections 2 to 22, inclusive, of this act or any regulation adopted pursuant thereto.</u>
- 2. [The Division may impose against any retailer that violates the provisions of section 20 of this act an administrative fine of not more than \$1,000 for any single violation or more than \$10,000 for multiple violations.
- 3. The Division may only assess an administrative fine against a retailer pursuant to subsection 2 after the Division has issued to the retailer at least three written warnings regarding the violation.

- 4.] Except as otherwise provided in subsection [5,] 3, all administrative fines collected by the Division pursuant to this section must be deposited with the State Treasurer for credit to the State General Fund.
- [5.] 3. The Division may delegate to a hearing officer or panel its authority to impose and collect administrative fines pursuant to this section and deposit the money collected with the State Treasurer for credit to the Account.
- <del>[6.]</del> 4. For the purposes of this section, each day on which a violation continues constitutes a separate offense.
  - Sec. 23. Section 17 of this act is hereby amended to read as follows:
    - Sec. 17. 1. A manufacturer shall submit to the Division with its initial annual registration form a fee of:
    - (a) For a manufacturer that sold at least 100 but not more than 999 covered electronic devices in this State during the preceding calendar year, \$5,000.
    - (b) For a manufacturer that sold 1,000 or more covered electronic devices in this State during the preceding calendar year, \$10,000.
    - 2. A manufacturer shall submit with each subsequent annual registration form a fee of:
    - (a) [For a manufacturer that sold at least 100 but not more than 999 covered electronic devices in this State during the preceding calendar year:
    - (1)] If the manufacturer sold at least 100 covered electronic devices in this State during the preceding calendar year and is carrying out a manufacturer recycling program at the time of registration, \$500.
    - [(2)] (b) If the manufacturer sold at least 100 covered electronic devices in this State during the preceding calendar year and is not carrying out a manufacturer recycling program at the time of registration, \$5,000.
    - [(b) For a manufacturer that sold 1,000 or more covered electronic devices in this State during the preceding calendar year:
    - (1) If the manufacturer is carrying out a manufacturer recycling program at the time of registration, \$500.
    - (2) If the manufacturer is not carrying out a manufacturer recycling program at the time of registration, \$10,000.]
    - 3. A manufacturer that sold fewer than 100 covered electronic devices in this State during the preceding calendar year is not required to pay a registration fee.
    - 4. All registration fees submitted pursuant to this section must be deposited with the State Treasurer for credit to the Account.
  - Sec. 23.5. Section 22 of this act is hereby amended to read as follows:
    - Sec. 22. 1. <u>The</u> Except as otherwise provided in subsection 2, <u>the</u> Division may impose an administrative fine of not more than \$10,000 against a person who violates any provision of sections 2 to 22, inclusive, of this act or any regulation adopted pursuant thereto.

- 2. The Division may impose against any retailer that violates the provisions of section 20 of this act an administrative fine of not more than \$1,000 for any single violation or more than \$10,000 for multiple violations.
- 3. The Division may only assess an administrative fine against a retailer pursuant to subsection 2 after the Division has issued to the retailer at least three written warnings regarding the violation.
- 4. Except as otherwise provided in subsection [3,] 5, all administrative fines collected by the Division pursuant to this section must be deposited with the State Treasurer for credit to the State General Fund.
- [3-] 5. The Division may delegate to a hearing officer or panel its authority to impose and collect administrative fines pursuant to this section and deposit the money collected with the State Treasurer for credit to the Account.
- [4.] <u>6.</u> For the purposes of this section, each day on which a violation continues constitutes a separate offense.
- Sec. 24. The Division of Environmental Protection of the State Department of Conservation and Natural Resources shall:
- 1. On or before October 1, 2016, conduct a workshop consisting of representatives of the various sectors of the electronics industry and representatives from appropriate public and private entities to review and assess the impact of the annual registration fees collected pursuant to section 17 of this act.
- 2. On or before January 31, 2017, submit the findings and recommendations of the workshop conducted pursuant to subsection 1 to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.
- Sec. 25. 1. This section and sections 1 to [22,] 19, inclusive, 21, 22 and [section] 24 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - (b) On January 1, 2014, for all other purposes.
  - 2. Sections 20 and 23.5 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - (b) On January 1, 2015, for all other purposes.
- 3. Section 23 of this act becomes effective on January 1, 2018.

Senator Jones moved the adoption of the amendment.

Remarks by Senator Jones.

Thank you, Mr. President pro Tempore. Amendment No. 222 to Senate Bill No. 183 amends the definition of "computer" by deleting language specifying that the term does not include a personal digital assistant or computer peripheral. It clarifies that "covered electronic device" includes "computer peripheral, facsimile machine and digital playback device." It allows the

money in the Account for Recycling Covered Electronic Devices to be used to carry out the provisions of the program and extends the effective date to January 1, 2015.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 198.

Bill read second time.

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

Amendment No. 138.

"SUMMARY—Revises provisions relating to the practice of chiropractic. (BDR 54-834)"

"AN ACT relating to the practice of chiropractic; revising provisions relating to the practice of chiropractic; providing that a chiropractor's assistant may perform certain ancillary services under indirect supervision in certain circumstances; providing that a chiropractor's assistant is subject to disciplinary action under certain circumstances; providing administrative penalties; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes a chiropractor's assistant to perform certain ancillary services relating to chiropractic under the supervision and control of a chiropractic physician. (NRS 634.125) Section 7 of this bill provides that a chiropractor's assistant may perform [sueh] certain services under the indirect supervision and control of a chiropractic physician if: (1) the services are performed on an established patient; (2) the supervising chiropractic physician is reasonably accessible by telephone, facsimile or other electronic means; and (3) the services are performed in certain facilities. Section 7 requires a chiropractic physician who employs one or more chiropractor's assistants who perform services under indirect supervision to maintain certain liability insurance.

Section 4 of this bill authorizes the Chiropractic Physicians' Board of Nevada to adopt regulations providing for the employment by a chiropractic physician of a chiropractor's assistant trainee. Section 5 of this bill [authorizes] requires the Board to adopt regulations [governing the process] that : (1) set forth the conditions under which a [supervising] chiropractic physician [is required to use to evaluate] may authorize a chiropractor's assistant to perform services under [his or her] indirect supervision [and control.]; (2) identify the services a chiropractor's assistant is authorized to perform under indirect supervision; (3) identify the services a chiropractor's assistant is prohibited from performing under indirect supervision; and (4) prescribe what notice, if any, a chiropractic physician is required to provide to a patient regarding services that a chiropractor's assistant is authorized to perform under indirect supervision. Section 5 also authorizes the Board to adopt any other regulations the Board deems appropriate to ensure that services provided by a chiropractor's assistant under indirect supervision are

performed safely and in the best interest of a patient. Section 5 prohibits a chiropractic physician from authorizing a chiropractor's assistant to perform, or a chiropractor's assistant from performing, any services under indirect supervision which are not authorized: (1) by the regulations adopted by the Board; and (2) under the certificate issued to the chiropractor's assistant by the Board.

Existing law authorizes the Board to impose certain disciplinary actions against a person practicing chiropractic in this State. (NRS 634.190) Sections 8-14 of this bill authorize the Board to impose such disciplinary actions against a person providing services as a chiropractor's assistant in this State.

- Section 1. Chapter 634 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. "Direct supervision" means that a supervising chiropractic physician is present in the chiropractic facility during the period in which a chiropractor's assistant is performing services or a chiropractor's assistant trainee is performing duties, and is available to give aid, direction and instruction to the chiropractor's assistant or chiropractor's assistant trainee.
- Sec. 3. "Indirect supervision" means that the supervising chiropractic physician is not present in the chiropractic facility during the period in which a chiropractor's assistant is performing services.
  - Sec. 4. 1. The Board may adopt regulations which:
- (a) Authorize a chiropractic physician to employ a chiropractor's assistant trainee; and
- (b) Set forth the requirements for a chiropractor's assistant trainee, including, without limitation, the types of ancillary duties which a chiropractor's assistant trainee may perform.
- 2. Any regulations adopted pursuant to subsection 1 must provide that a chiropractor's assistant trainee shall perform his or her duties only under the direct supervision of a chiropractic physician.
- Sec. 5. <u>1.</u> The Board <del>[may]</del> <u>shall</u> adopt regulations <del>[governing the process that a supervising chiropractic physician shall use to evaluate a chiropractor's assistant under his or her supervision and control.] <u>that:</u></del>
- (a) Set forth the conditions under which a chiropractic physician may authorize a chiropractor's assistant to perform services under indirect supervision;
- (b) Identify the services a chiropractor's assistant is authorized to perform under indirect supervision;
- (c) Identify the services a chiropractor's assistant is prohibited from performing under indirect supervision; and
- (d) Prescribe what notice, if any, a chiropractic physician must provide to a patient regarding services that a chiropractor's assistant is authorized to perform under indirect supervision.

- 2. The Board may adopt any other regulations the Board deems appropriate to ensure that services provided by a chiropractor's assistant are performed safely and in the best interest of a patient.
- 3. A chiropractic physician shall not authorize a chiropractor's assistant to perform, and a chiropractor's assistant shall not perform, any services under indirect supervision that the chiropractor's assistant is not authorized to perform:
- (a) By the regulations adopted by the Board pursuant to Section 5 of this act; and
- (b) Under the terms of the certificate issued to the chiropractor's assistant by the Board.
  - Sec. 6. NRS 634.010 is hereby amended to read as follows:
- 634.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 634.012 to 634.018, inclusive, *and sections 2 and 3 of this act* have the meanings ascribed to them in those sections.
  - Sec. 7. NRS 634.125 is hereby amended to read as follows:
- 634.125 *1.* A chiropractor's assistant may perform such ancillary services relating to chiropractic as he or she is authorized to perform under the terms of a certificate issued by the Board. Those services [must] may , to the extent authorized by the regulations adopted by the Board pursuant to section 5 of this act, be rendered under the indirect supervision and control of a chiropractor [.] if:
- (a) The services are performed on a patient who has been evaluated by the supervising chiropractic physician to whom the chiropractor's assistant has been assigned and whose medical records include, without limitation, his or her patient history and an evaluation, diagnosis and treatment plan prepared by the supervising chiropractic physician;
- (b) The supervising chiropractic physician to whom the chiropractor's assistant has been assigned is reasonably accessible by telephone, facsimile or other electronic means during any period in which services are performed under indirect supervision; and
  - (c) The services are performed:
- (1) In the primary place of practice of the supervising chiropractic physician to whom the chiropractor's assistant has been assigned; or
- (2) In a hospital in which the supervising chiropractic physician to whom the chiropractor's assistant has been assigned is employed.
- 2. A chiropractic physician who employs one or more chiropractor's assistants who perform services under indirect supervision shall maintain liability insurance in an amount of not less than \$1,000,000 per occurrence and not less than \$3,000,000 annual aggregate for coverage of liability arising from any act or omission committed by a chiropractor's assistant while under indirect supervision.
  - Sec. 8. NRS 634.140 is hereby amended to read as follows:

- 634.140 The grounds for initiating disciplinary action pursuant to this chapter are:
  - 1. Unprofessional conduct.
  - 2. Conviction of:
- (a) A violation of any federal or state law regulating the possession, distribution or use of any controlled substance or any dangerous drug as defined in chapter 454 of NRS;
  - (b) A felony relating to the practice of chiropractic;
- (c) A violation of any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive; or
  - (d) Any offense involving moral turpitude.
- 3. Suspension or revocation of the license to practice chiropractic by any other jurisdiction.
  - 4. Gross or repeated malpractice.
- 5. Any act by a chiropractor's assistant which the chiropractor's assistant is not authorized to perform under the terms of a certificate issued by the Board pursuant to NRS 634.125.
- 6. Referring, in violation of NRS 439B.425, a patient to a health facility, medical laboratory or commercial establishment in which the licensee has a financial interest.
- [6.] 7. Operation of a medical facility, as defined in NRS 449.0151, at any time during which:
  - (a) The license of the facility is suspended or revoked; or
- (b) An act or omission occurs which results in the suspension or revocation of the license pursuant to NRS 449.160.
- This subsection applies to an owner or other principal responsible for the operation of the facility.
  - Sec. 9. NRS 634.160 is hereby amended to read as follows:
- 634.160 1. The Board or any of its members who become aware that any one or a combination of the grounds for initiating disciplinary action may exist as to a person practicing chiropractic *or providing services as a chiropractor's assistant* in this State shall, and any other person who is so aware may, file a written complaint specifying the relevant facts with the Executive Director of the Board.
- 2. The Board shall retain all complaints filed with the Executive Director pursuant to this section for at least 10 years, including, without limitation, any complaints not acted upon.
  - Sec. 10. NRS 634.190 is hereby amended to read as follows:
- 634.190 1. The person charged is entitled to a hearing before the Board, but the failure of the person charged to attend a hearing or to defend himself or herself does not delay or void the proceedings. The Board may, for good cause shown, continue any hearing from time to time.
- 2. If the Board finds the person guilty as charged in the complaint, it may by order:

- (a) Place the person on probation for a specified period or until further order of the Board.
  - (b) Administer to the person a public reprimand.
- (c) Limit the practice of the person to, or by the exclusion of, one or more specified branches of chiropractic.
- (d) Suspend the license of the person to practice chiropractic or the person's certificate as a chiropractor's assistant for a specified period or until further order of the Board.
- (e) Revoke the license of the person to practice chiropractic  $[\cdot]$  or the person's certificate as a chiropractor's assistant.
- (f) Impose a fine of not more than \$5,000 for each act which constitutes a ground for disciplinary action, which must be deposited with the State Treasurer for credit to the State General Fund.
- The order of the Board may contain such other terms, provisions or conditions as the Board deems proper and which are not inconsistent with law.
- 3. If the Board finds that a licensee has violated the provisions of NRS 439B.425, the Board shall suspend the license for a specified period or until further order of the Board.
  - 4. The Board shall not administer a private reprimand.
- 5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - Sec. 11. NRS 634.193 is hereby amended to read as follows:
- 634.193 1. Any disciplinary action taken by a hearing officer or panel pursuant to NRS 634.050 is subject to the same procedural requirements which apply to disciplinary actions taken by the Board, and the officer or panel has those powers and duties given to the Board in relation thereto.
- 2. A decision of the hearing officer or panel relating to the imposition of a fine is a final decision in a contested case. Any party aggrieved by a decision of the officer or panel to place a [licensee] chiropractic physician or a chiropractor's assistant on probation or revoke or suspend a license or certificate may appeal that decision to the Board.
  - Sec. 12. NRS 634.200 is hereby amended to read as follows:
- 634.200 1. Any person who has been placed on probation or whose license *or certificate* has been limited, suspended or revoked by the Board is entitled to judicial review of the Board's order.
- 2. The district court shall give a petition for judicial review of the Board's order priority over other civil matters which are not expressly given that priority by law.
  - Sec. 13. NRS 634.204 is hereby amended to read as follows:
  - 634.204 1. Any person:
  - (a) Whose practice of chiropractic has been limited; or
- (b) Whose license [to practice chiropractic] or certificate has been suspended until further order or revoked,

- $\rightarrow$  by an order of the Board may apply to the Board after a reasonable period for removal of the limitation or restoration of his or her license  $\frac{[\cdot]}{[\cdot]}$  or certificate.
  - 2. In hearing the application, the Board:
- (a) May require the person to submit to a mental or physical examination by physicians or other appropriate persons whom it designates and submit such other evidence of changed conditions and of fitness as it deems proper;
- (b) Shall determine whether under all the circumstances the time of the application is reasonable; and
- (c) May deny the application or modify or rescind its order as it deems the evidence and the public safety warrant.
  - Sec. 14. NRS 634.208 is hereby amended to read as follows:
- 634.208 1. In addition to any other remedy provided by law, the Board, through its President, Secretary or its attorney, or the Attorney General, may bring an action in any court of competent jurisdiction to [enjoin].
- (a) Enjoin any person who does not hold a license issued by the Board from practicing chiropractic or representing himself or herself to be a chiropractor. As used in this [subsection,] paragraph, "practicing chiropractic" includes the conducting of independent examinations and the offering of opinions regarding the treatment or care, or both, with respect to patients who are residents of this State.
- (b) Enjoin any person who does not hold a certificate issued pursuant to NRS 634.123 from practicing as a chiropractor's assistant or representing himself or herself to be a chiropractor's assistant.
- 2. The court in a proper case may issue an injunction for such purposes without proof of actual damage sustained by any person, this provision being a preventive as well as a punitive measure. The issuance of such an injunction does not relieve the person from criminal prosecution for a violation of NRS 634.227.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment No. 138 to Senate Bill No. 198 requires the Chiropractic Physicians' Board of Nevada to adopt regulations concerning the conditions under which a chiropractic assistant may perform services under indirect supervision.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 205.

Bill read second time.

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

Amendment No. 363.

"SUMMARY—Makes various changes concerning the collection of information relating to the treatment of trauma. (BDR 40-698)"

"AN ACT relating to public health; requiring the Health Division of the Department of Health and Human Services to develop a standardized system for the collection of information concerning the treatment of trauma; creating the Fund for the State Trauma Registry; <a href="mailto:ma

Existing law requires the State Board of Health to adopt regulations which require each hospital to record and maintain information concerning the treatment of trauma in the hospital. (NRS 450B.238) Existing regulations of the State Board of Health require the Health Division of the Department of Health and Human Services to develop a standardized system for the collection of information concerning the treatment of trauma and to carry out a system for the management of that information. (NAC 450B.764) This bill requires the Health Division to develop and operate such a system [-] and to prepare quarterly reports based on information collected for submission to the Legislative Committee on Health Care. This bill further creates the Fund for the State Trauma Registry into which money for the Registry must be deposited [-] and makes an appropriation of \$200,000 to the Fund. This bill also provides that money in the Fund does not revert to the State General Fund.

- Section 1. Chapter 450B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. The Health Division shall develop a standardized system for the collection of information concerning the treatment of trauma and carry out a system for the management of that information. The system must provide for the recording of information concerning treatment received before and after admission to a hospital. The Health Division finally prepare quarterly reports based upon the information collected for its review.
- 2. <u>Each person or governmental entity submitting information</u> concerning the treatment of trauma to the Health Division shall, if practicable, submit the information electronically.
- 3. The State Board of Health [may] shall adopt regulations necessary to carry out the provisions of this section.
- Sec. 3. 1. The Fund for the State Trauma Registry is hereby created in the State Treasury.
- 2. Any money made available to the Health Division to carry out section 2 of this act:
  - (a) Must be deposited in the Fund;
- (b) [May] Must be used only to develop a standardized system for the collection of information concerning the treatment of trauma, to carry out a

system for the management of that information and to prepare reports concerning that information; and

- (c) Does not revert to the State General Fund at the end of any fiscal year.
- 3. Any interest or income earned on the money in the Fund must be credited to the Fund. Any claims against the Fund must be paid in the manner that other claims against the State are paid.
- 4. The Health Division may accept gifts, grants and donations from any source for deposit in the Fund.
  - 5. The Administrator of the Health Division shall administer the Fund.
- Sec. 3.5. There is hereby appropriated from the State General Fund to the Fund for the State Trauma Registry created pursuant to section 3 of this act the sum of \$200,000 to carry out the provisions of section 2 of this act.
- Sec. 4. The regulation adopted by the State Board of Health which is codified as NAC 450B.764 is hereby declared void. The Legislative Counsel shall remove that regulation from the Nevada Administrative Code as soon as practicable after July 1, 2013.
  - Sec. 5. This act becomes effective on July 1, 2013.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Thank you, Mr. President pro Tempore. Amendment No. 363 to Senate Bill No. 205 requires the Health Division to adopt appropriate regulations and to submit to the Legislative Committee on Health Care quarterly reports based upon the trauma treatment information collected. It also requires an entity to submit trauma treatment information electronically, if practicable.

Finally, the amendment appropriates \$200,000 from the State General Fund to the Fund for the State Trauma Registry.

Amendment adopted.

Senator Smith moved that Senate Bill No. 205 be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 226.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 186.

"SUMMARY—Makes various changes concerning firearms. (BDR 15-38)"

"AN ACT relating to firearms; requiring an eligible person who holds a permit to carry a concealed firearm to obtain a driver's license or identification card which designates that the person holds such a permit; authorizing such a person to hold an additional identification card which does not contain the designation; authorizing the Department of Motor Vehicles to establish regulations relating to such drivers' licenses and identification cards; revising the definition of "concealed firearm"; authorizing a person to obtain one permit to carry a concealed firearm for all handguns owned by the person; revising provisions relating to a person's demonstration of

competence with certain firearms for the purpose of obtaining or renewing a permit to carry a concealed firearm; [deleting certain provisions relating to the registration of firearms capable of being concealed; revising the applicability of certain provisions pertaining to the regulation of firearms by local governments;] and providing other matters properly relating thereto." Legislative Counsel's Digest:

Section 2 of this bill requires a person who holds a permit to carry a concealed firearm and who is eligible to hold a driver's license or identification card issued by the Department of Motor Vehicles to obtain a driver's license or identification card from the Department which contains a designation that the person holds such a permit. A person does not need to pay a fee to obtain the designation unless a new driver's license or identification card needs to be issued, in which case the person must pay the prescribed renewal fee for a driver's license or identification card. Section 19 of this bill requires a person who holds a valid permit to carry a concealed firearm on January 1, 2014, to comply with the provisions of section 2 not later than the date on which his or her current driver's license or identification card expires.

Section 3 of this bill imposes certain requirements upon a person who holds a driver's license or identification card with the designation required pursuant to section 2, and section 4 of this bill authorizes such a person to hold an additional identification card which does not contain the designation. Section 5 of this bill authorizes the Department of Motor Vehicles to adopt any necessary regulations to carry out the provisions of sections 2-5.

Existing law defines "concealed firearm" as a loaded or unloaded pistol, revolver or other firearm which is carried upon a person in such a manner as not to be discernible by ordinary observation. (NRS 202.3653) Existing law provides that a person who applies for a permit to carry a concealed firearm may submit one application and obtain one permit to carry all revolvers and semiautomatic firearms owned by the person. A permit must list each category of firearm to which the permit pertains and is valid for any revolver or semiautomatic firearm which the permittee owns or thereafter obtains. An applicant for a permit or a permittee who wishes to renew his or her permit must demonstrate competence or continued competence, respectively, with revolvers, semiautomatic firearms or both, as applicable, before obtaining or renewing a permit. (NRS 202.3657, 202.3677)

Section 7 of this bill revises the definition of "concealed firearm" and defines the term as a loaded or unloaded handgun which is carried upon a person in such a manner as not to be discernible by ordinary observation. Section 7 also defines the term "handgun" by using the definition provided in federal law. Section 8 of this bill provides that a person may obtain one permit to carry all handguns owned by the person, and such a permit is valid for any handgun which the person owns or thereafter obtains. Section 8 requires an applicant for a permit to demonstrate competence with handguns before obtaining a permit, and section 10 of this bill requires a permittee to

demonstrate continued competence with handguns before renewing the permit. Section 9 of this bill revises the required form of a permit.

Existing law also requires certain political subdivisions of this State in a county whose population is 700,000 or more (currently Clark County), which adopted ordinances or regulations before June 13, 1989, that require the registration of firearms capable of being concealed, to make certain amendments to such registration provisions. (NRS 244.364, 268.418, 269.222) Sections 14-16 of this bill delete the provisions requiring certain political subdivisions of this State to make such amendments.

Assembly Bill No. 147 of the 1989 Legislative Session (AB147) reserved for the Legislature the rights and powers necessary to regulate the transfersale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in this State. (Chapter 308, Statutes of Nevada 1989, pp. 652-53) However, section 5 of AB147 provided that the preemptive effect of the bill applied only to ordinances or regulations adopted by local governments on or after June 13, 1989. Section 18 of this bill amends section 5 of AB147 to include and preempt ordinances or regulations adopted by local governments before June 13, 1989.

- Section 1. Chapter 202 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. 1. If a person is issued a permit and is eligible to hold a driver's license or identification card issued by the Department of Motor Vehicles pursuant to the provisions of NRS 483.010 to 483.630, inclusive, or NRS 483.810 to 483.890, inclusive, the person shall obtain a driver's license or identification card from the Department of Motor Vehicles that contains the designation "CCW."
- 2. Except as otherwise provided in this subsection, the Department of Motor Vehicles shall not charge a fee for placing the designation required pursuant to subsection 1 on a driver's license or identification card. If the Department of Motor Vehicles determines that the designation cannot be placed on an existing driver's license or identification card and that a new driver's license or identification card containing the designation must be issued, a person must pay the prescribed fee for the renewal of a driver's license or identification card pursuant to NRS 483.410 or 483.820 when he or she obtains the new driver's license or identification card.
- Sec. 3. Once a person obtains a driver's license or identification card containing the designation required pursuant to section 2 of this act, the person shall, in addition to any other requirement provided by law:
- 1. Carry the driver's license or identification card on his or her person any time he or she is carrying a concealed firearm; and
- 2. If requested by a peace officer to provide identification while the person is carrying a concealed firearm, provide to the peace officer the driver's license or identification card.

- Sec. 4. 1. A person who obtains a driver's license or identification card with the designation required pursuant to section 2 of this act may also hold an additional identification card issued pursuant to the provisions of NRS 483.810 to 483.890, inclusive, which does not contain the designation. The additional identification card may be used for any lawful purpose other than when the person is required to provide identification to a peace officer pursuant to subsection 2 of section 3 of this act.
- 2. A person who holds an additional identification card pursuant to subsection 1 must pay the prescribed fee for the identification card pursuant to NRS 483.820.
- Sec. 5. The Department of Motor Vehicles may adopt such regulations as are necessary to carry out the provisions of sections 2 to 5, inclusive, of this act.
  - Sec. 6. NRS 202.253 is hereby amended to read as follows:
- 202.253 As used in NRS 202.253 to 202.369, inclusive [:], and sections 2 to 5, inclusive, of this act:
- 1. "Explosive or incendiary device" means any explosive or incendiary material or substance that has been constructed, altered, packaged or arranged in such a manner that its ordinary use would cause destruction or injury to life or property.
- 2. "Firearm" means any device designed to be used as a weapon from which a projectile may be expelled through the barrel by the force of any explosion or other form of combustion.
- 3. "Firearm capable of being concealed upon the person" applies to and includes all firearms having a barrel less than 12 inches in length.
  - 4. "Motor vehicle" means every vehicle that is self-propelled.
  - Sec. 7. NRS 202.3653 is hereby amended to read as follows:
- 202.3653 As used in NRS 202.3653 to 202.369, inclusive, *and sections 2 to 5, inclusive, of this act,* unless the context otherwise requires:
- 1. "Concealed firearm" means a loaded or unloaded [pistol, revolver or other firearm] handgun which is carried upon a person in such a manner as not to be discernible by ordinary observation.
  - 2. "Department" means the Department of Public Safety.
  - 3. "Handgun" has the meaning ascribed to it in 18 U.S.C. § 921(a)(29).
- 4. "Peace officer" means any person upon whom some or all of the powers of a peace officer are conferred pursuant to NRS 289.150 to 289.360, inclusive.
- 5. "Permit" means a permit to carry a concealed firearm issued pursuant to the provisions of NRS 202.3653 to 202.369, inclusive <del>[.</del>
- 4. "Revolver" means a firearm that has a revolving cylinder with several chambers, which, by pulling the trigger or setting the hammer, are aligned with the barrel, placing the bullet in a position to be fired. The term includes, without limitation, a single or double derringer.
  - 5. "Semiautomatic firearm" means a firearm which:

- (a) Uses the energy of the explosive in a fixed cartridge to extract a fixed cartridge and chamber a fresh cartridge with each single pull of the trigger; and
- (b) Requires the release of the trigger and another pull of the trigger for each successive shot.], and sections 2 to 5, inclusive, of this act.
  - Sec. 8. NRS 202.3657 is hereby amended to read as follows:
- 202.3657 1. Any person who is a resident of this State may apply to the sheriff of the county in which he or she resides for a permit on a form prescribed by regulation of the Department. Any person who is not a resident of this State may apply to the sheriff of any county in this State for a permit on a form prescribed by regulation of the Department. Application forms for permits must be furnished by the sheriff of each county upon request.
- 2. A person applying for a permit may submit one application and obtain one permit to carry all [revolvers and semiautomatic firearms] handguns owned by the person. The person must not be required to list and identify on the application each [revolver or semiautomatic firearm] handgun owned by the person. A permit [must list each category of firearm to which the permit pertains and] is valid for any [revolver or semiautomatic firearm] handgun which is owned or thereafter obtained by the person to whom the permit is issued.
- 3. Except as otherwise provided in this section, the sheriff shall issue a permit [for revolvers, semiautomatic firearms or both, as applicable,] to any person who is qualified to possess [the firearms to which the application pertains] a handgun under state and federal law, who submits an application in accordance with the provisions of this section and who:
  - (a) Is 21 years of age or older;
- (b) Is not prohibited from possessing a firearm pursuant to NRS 202.360; and
- (c) Demonstrates competence with [revolvers, semiautomatic firearms or both, as applicable,] handguns by presenting a certificate or other documentation to the sheriff which shows that the applicant:
- (1) Successfully completed a course in firearm safety approved by a sheriff in this State; or
- (2) Successfully completed a course in firearm safety offered by a federal, state or local law enforcement agency, community college, university or national organization that certifies instructors in firearm safety.
- → Such a course must include instruction in the use of [revolvers, semiautomatic firearms or both, as applicable,] handguns and in the laws of this State relating to the use of a firearm. A sheriff may not approve a course in firearm safety pursuant to subparagraph (1) unless the sheriff determines that the course meets any standards that are established by the Nevada Sheriffs' and Chiefs' Association or, if the Nevada Sheriffs' and Chiefs' Association ceases to exist, its legal successor.
- 4. The sheriff shall deny an application or revoke a permit if the sheriff determines that the applicant or permittee:

- (a) Has an outstanding warrant for his or her arrest.
- (b) Has been judicially declared incompetent or insane.
- (c) Has been voluntarily or involuntarily admitted to a mental health facility during the immediately preceding 5 years.
- (d) Has habitually used intoxicating liquor or a controlled substance to the extent that his or her normal faculties are impaired. For the purposes of this paragraph, it is presumed that a person has so used intoxicating liquor or a controlled substance if, during the immediately preceding 5 years, the person has been:
  - (1) Convicted of violating the provisions of NRS 484C.110; or
- (2) Committed for treatment pursuant to NRS 458.290 to 458.350, inclusive.
- (e) Has been convicted of a crime involving the use or threatened use of force or violence punishable as a misdemeanor under the laws of this or any other state, or a territory or possession of the United States at any time during the immediately preceding 3 years.
- (f) Has been convicted of a felony in this State or under the laws of any state, territory or possession of the United States.
- (g) Has been convicted of a crime involving domestic violence or stalking, or is currently subject to a restraining order, injunction or other order for protection against domestic violence.
- (h) Is currently on parole or probation from a conviction obtained in this State or in any other state or territory or possession of the United States.
- (i) Has, within the immediately preceding 5 years, been subject to any requirements imposed by a court of this State or of any other state or territory or possession of the United States, as a condition to the court's:
  - (1) Withholding of the entry of judgment for a conviction of a felony; or
  - (2) Suspension of sentence for the conviction of a felony.
- (j) Has made a false statement on any application for a permit or for the renewal of a permit.
- 5. The sheriff may deny an application or revoke a permit if the sheriff receives a sworn affidavit stating articulable facts based upon personal knowledge from any natural person who is 18 years of age or older that the applicant or permittee has or may have committed an offense or engaged in any other activity specified in subsection 4 which would preclude the issuance of a permit to the applicant or require the revocation of a permit pursuant to this section.
- 6. If the sheriff receives notification submitted by a court or law enforcement agency of this or any other state, the United States or a territory or possession of the United States that a permittee or an applicant for a permit has been charged with a crime involving the use or threatened use of force or violence, the conviction for which would require the revocation of a permit or preclude the issuance of a permit to the applicant pursuant to this section, the sheriff shall suspend the person's permit or the processing of the person's application until the final disposition of the charges against the

person. If a permittee is acquitted of the charges, or if the charges are dropped, the sheriff shall restore his or her permit without imposing a fee.

- 7. An application submitted pursuant to this section must be completed and signed under oath by the applicant. The applicant's signature must be witnessed by an employee of the sheriff or notarized by a notary public. The application must include:
- (a) The name, address, place and date of birth, social security number, occupation and employer of the applicant and any other names used by the applicant;
- (b) A complete set of the applicant's fingerprints taken by the sheriff or his or her agent;
- (c) A front-view colored photograph of the applicant taken by the sheriff or his or her agent;
- (d) If the applicant is a resident of this State, the driver's license number or identification card number of the applicant issued by the Department of Motor Vehicles;
- (e) If the applicant is not a resident of this State, the driver's license number or identification card number of the applicant issued by another state or jurisdiction;
  - (f) [Whether the application pertains to semiautomatic firearms;
  - (g) Whether the application pertains to revolvers;
- (h)] A nonrefundable fee equal to the nonvolunteer rate charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation to obtain the reports required pursuant to subsection 1 of NRS 202.366; and
  - $\frac{\{(i)\}}{\{(g)\}}$  (g) A nonrefundable fee set by the sheriff not to exceed \$60.
  - Sec. 9. NRS 202.366 is hereby amended to read as follows:
- 202.366 1. Upon receipt by a sheriff of an application for a permit, including an application for the renewal of a permit pursuant to NRS 202.3677, the sheriff shall conduct an investigation of the applicant to determine if the applicant is eligible for a permit. In conducting the investigation, the sheriff shall forward a complete set of the applicant's fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report concerning the criminal history of the applicant. The investigation also must include a report from the National Instant Criminal Background Check System. The sheriff shall issue a permit to the applicant unless the applicant is not qualified to possess a handgun pursuant to state or federal law or is not otherwise qualified to obtain a permit pursuant to NRS 202.3653 to 202.369, inclusive, and sections 2 to 5, inclusive, of this act, or the regulations adopted pursuant thereto.
- 2. To assist the sheriff in conducting the investigation, any local law enforcement agency, including the sheriff of any county, may voluntarily submit to the sheriff a report or other information concerning the criminal history of an applicant.

3. Within 120 days after a complete application for a permit is submitted, the sheriff to whom the application is submitted shall grant or deny the application. If the application is denied, the sheriff shall send the applicant written notification setting forth the reasons for the denial. If the application is granted, the sheriff shall provide the applicant with a permit containing a colored photograph of the applicant and containing such other information as may be prescribed by the Department. The permit must be in substantially the following form:

#### NEVADA CONCEALED FIREARM PERMIT

County	Permit Number
Expires	Date of Birth
Height	
Name	
City	_
•	Photograph
Signature	
Issued by	
Date of Issue	
$\underline{[Semiautomatic\ firearms\ authorized}$	Yes No

#### Revolvers authorized Yes Nol

- 4. Unless suspended or revoked by the sheriff who issued the permit, a permit expires 5 years after the date on which it is issued.
- 5. As used in this section, "National Instant Criminal Background Check System" means the national system created by the federal Brady Handgun Violence Prevention Act, Public Law 103-159.
  - Sec. 10. NRS 202.3677 is hereby amended to read as follows:
- 202.3677 1. If a permittee wishes to renew his or her permit, the permittee must:
- (a) Complete and submit to the sheriff who issued the permit an application for renewal of the permit; and
- (b) Undergo an investigation by the sheriff pursuant to NRS 202.366 to determine if the permittee is eligible for a permit.
  - 2. An application for the renewal of a permit must:
  - (a) Be completed and signed under oath by the applicant;
- (b) Contain a statement that the applicant is eligible to receive a permit pursuant to NRS 202.3657;
- (c) Be accompanied by a nonrefundable fee equal to the nonvolunteer rate charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation to obtain the reports required pursuant to subsection 1 of NRS 202.366; and
  - (d) Be accompanied by a nonrefundable fee of \$25.
- → If a permittee fails to renew his or her permit on or before the date of expiration of the permit, the application for renewal must include an additional nonrefundable late fee of \$15.

- 3. No permit may be renewed pursuant to this section unless the permittee has demonstrated continued competence with [revolvers, semiautomatic firearms or both, as applicable,] handguns by successfully completing a course prescribed by the sheriff renewing the permit.
  - Sec. 11. NRS 202.368 is hereby amended to read as follows:
- 202.368 All fees collected pursuant to the provisions of NRS 202.3653 to 202.369, inclusive, other than any fees collected by the Department of Motor Vehicles pursuant to the provisions of sections 2 to 5, inclusive, of this act, must be deposited with the county treasurer of the county in which the fees are collected and:
- 1. If the county has a metropolitan police department created pursuant to chapter 280 of NRS, credited to the general fund of that metropolitan police department; or
- 2. If the county does not have a metropolitan police department created pursuant to chapter 280 of NRS, credited to the general fund of that county.
  - Sec. 12. NRS 202.3683 is hereby amended to read as follows:
- 202.3683 The State or any political subdivision of the State, the Department [,] of Public Safety, the Department of Motor Vehicles, a sheriff, law enforcement agency, firearm safety or training instructor or any other person who, in good faith and without gross negligence, acts pursuant to the provisions of NRS 202.3653 to 202.369, inclusive, and sections 2 to 5, inclusive, of this act is immune from civil liability for those acts. Such acts include, but are not limited to, the receipt, review or investigation of an application for a permit, the certification of a retired law enforcement officer, or the issuance, denial, suspension, revocation or renewal of a permit.
  - Sec. 13. NRS 202.369 is hereby amended to read as follows:
- 202.369 The Department may adopt such regulations as are necessary to carry out the provisions of NRS 202.3653 to 202.369, inclusive  $\frac{[.]}{[.]}$ , other than the provisions of sections 2 to 5, inclusive, of this act.
  - Sec. 14. [NRS 244.364 is hereby amended to read as follows:
- 244.364 I. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in Nevada, and no county may infringe upon those rights and powers. As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.
- 2. A board of county commissioners may proscribe by ordinance or regulation the unsafe discharge of firearms.
- [3. If a board of county commissioners in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the board of county commissioners shall amend such an ordinance or regulation to require:

- (a) A period of at least 60 days of residency in the county before registration of such a firearm is required.
- (b) A period of at least 72 hours for the registration of a pistol by a resident of the county upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.
- 4. Except as otherwise provided in subsection 1, as]—As used in this [section:
- (a) "Firearm"] subsection, "firearm" means any device designed to be used as a weapon from which a projectile may be expelled through the barrel by the force of any explosion or other form of combustion.
- [(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.
- (c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.]] (Deleted by amendment.)
  - Sec. 15. [NRS 268.418 is hereby amended to read as follows:
- 268.418 1. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in Nevada, and no city may infringe upon those rights and powers. As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.
- 2. The governing body of a city may proscribe by ordinance or regulation the unsafe discharge of firearms.
- [3. If the governing body of a city in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the governing body shall amend such an ordinance or regulation to require:
- (a) A period of at least 60 days of residency in the city before registration of such a firearm is required.
- (b) A period of at least 72 hours for the registration of a pistol by a resident of the city upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.
- 4. Except as otherwise provided in subsection 1, as]-As used in this [section:
- (a) "Firearm"]-subsection, "firearm" means any device designed to be used as a weapon from which a projectile may be expelled through the barrel by the force of any explosion or other form of combustion.
- [(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.
- (c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.]] (Deleted by amendment.)
  - Sec. 16. [NRS 269.222 is hereby amended to read as follows:
- 269.222 1. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to

regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in Nevada, and no town may infringe upon those rights and powers. As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.

- 2. A town board may proscribe by ordinance or regulation the unsafe discharge of firearms.
- [3. If a town board in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the town board shall amend such an ordinance or regulation to require:
- (a) A period of at least 60 days of residency in the town before registration of such a firearm is required.
- (b) A period of at least 72 hours for the registration of a pistol by a resident of the town upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.
- 4. Except as otherwise provided in subsection 1, as]—As used in this [section:
- (a) "Firearm"] subsection, "firearm" means any device designed to be used as a weapon from which a projectile may be expelled through the barrel by the force of any explosion or other form of combustion.
- [(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.
- (e) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.]] (Deleted by amendment.)
  - Sec. 17. NRS 483.820 is hereby amended to read as follows:
- 483.820 1. A person who applies for an identification card in accordance with the provisions of NRS 483.810 to 483.890, inclusive, and who is not ineligible to receive an identification card pursuant to NRS 483.861, is entitled to receive an identification card if the person is:
- (a) A resident of this State and is 10 years of age or older and, except as otherwise provided in section 4 of this act, does not hold a valid driver's license or identification card from any state or jurisdiction; or
  - (b) A seasonal resident who does not hold a valid Nevada driver's license.
- 2. Except as otherwise provided in NRS 483.825, the Department shall charge and collect the following fees for the issuance of an original, duplicate , *additional* or changed identification card:

An original, total duplicate or additional identification card issued	
to a person 65 years of age or older	. \$4
An original or duplicate identification card issued to a person under	
18 years of age	3
A renewal of an identification card for a person under 18 years of	
age	3
An original, [or] duplicate or additional identification card issued	
to any other person	9

- 3. The Department shall not charge a fee for:
- (a) An identification card issued to a person who has voluntarily surrendered his or her driver's license pursuant to NRS 483.420; or
- (b) A renewal of an identification card for a person 65 years of age or older.
- 4. Except as otherwise provided in NRS 483.825, the increase in fees authorized in NRS 483.347 must be paid in addition to the fees charged pursuant to this section.
- 5. As used in this section, "photograph" has the meaning ascribed to it in NRS 483.125.
- Sec. 18. [Section 5 of chapter 308, Statutes of Nevada 1989, as amended by chapter 320, Statutes of Nevada 2007, at page 1291, is hereby amended to read as follows:
  - See. 4. Section 5 of chapter 308, Statutes of Nevada 1989, at page 653, is hereby amended to read as follows:
  - See. 5.—[1. Except as otherwise provided in subsection 2, the provisions of this act apply to ordinances or regulations adopted on or after June 13, 1989.
  - 2.]—The provisions of this act, as amended on-[October 1, 2007,] *January 1, 2014*, apply to ordinances or regulations adopted before, on or after June 13, 1989.] (Deleted by amendment.)
- Sec. 19. Any person who, on January 1, 2014, holds a valid permit to carry a concealed firearm issued pursuant to the provisions of NRS 202.3653 to 202.369, inclusive, shall comply with the provisions of section 2 of this act not later than the date on which his or her current driver's license or identification card expires.
  - Sec. 20. This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting regulations; and
  - 2. On January 1, 2014, for all other purposes.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 186 to Senate Bill No. 226 retains provisions in existing law relating to Clark County's ordinance that requires the registration of firearms. It eliminates the part of the bill which eliminated the Clark County handgun registration program.

Amendment adopted.

Senator Settelmeyer moved that Senate Bill No. 226 be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 235.

Bill read second time.

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

Amendment No. 212.

"SUMMARY—Authorizes a local law enforcement agency to establish or utilize an electronic reporting system to receive information relating to purchases of scrap metal. (BDR 54-869)"

"AN ACT relating to scrap metal; authorizing a local law enforcement agency to establish or utilize an electronic reporting system to receive information relating to purchases of scrap metal; requiring, under certain circumstances, a scrap metal processor to submit electronically to a local law enforcement agency [electronically] or certain third parties certain information relating to certain purchases of scrap metal; providing a penalty; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides certain restrictions on the sale and purchase of scrap metal in this State and requires scrap metal processors to maintain certain records of purchases of scrap metal. (NRS 647.092-647.098) Section [11] 1.3 of this bill authorizes a local law enforcement agency to establish an electronic reporting system or utilize an existing electronic reporting system to receive certain information relating to scrap metal purchases within the jurisdiction of the law enforcement agency. Section #\frac{11}{2} 1.3 requires that the system be electronically secure and accessible only to : (1) a scrap metal processor for the purpose of submitting certain information [and to]; (2) an officer of the local law enforcement agency  $\frac{1}{12}$ ; and (3) an authorized employee of any third party that the local law enforcement agency contracts with for the purpose of receiving and storing the information submitted by a scrap metal processor. If a local law enforcement agency establishes an electronic reporting system or utilizes an existing electronic reporting system, section [11] 1.3 requires a scrap metal processor to submit electronically to the local law enforcement agency or, if applicable, any third party that the local law enforcement agency has contracted with, certain information relating to each purchase of scrap metal from certain persons.

Section 2 of this bill specifies that the record of purchase maintained by a scrap metal processor must include a copy of the seller's valid: (1) personal identification card issued by the Department of Motor Vehicles; (2) driver's license issued by this State or another state or territory of the United States; for (3) United States military identification card [+]; or (4) consular identification card.

Section 1.5 of this bill provides that a person is immune from any civil liability for any action taken with respect to carrying out the provisions of this bill, so long as such actions are taken in good faith and without malicious intent.

Section 1.7 of this bill requires a person in whose possession the information required to be submitted to a local law enforcement agency is held to keep the information confidential. Section 1.7 also provides that a person who knowingly and willfully violates this requirement is guilty of a gross misdemeanor.

- Section 1. Chapter 647 of NRS is hereby amended by adding thereto [a new section to read as follows:] the provisions set forth as sections 1.3, 1.5 and 1.7 of this act.
- Sec. 1.3. 1. A local law enforcement agency may establish an electronic reporting system or utilize an existing electronic reporting system to receive information relating to the purchase of scrap metal by a scrap metal processor that transacts business within the jurisdiction of the local law enforcement agency. An electronic reporting system established or utilized pursuant to this subsection must:
  - (a) Be electronically secure and accessible only to:
- (1) A scrap metal processor for the purpose of submitting the information required by subsection 2;  $\frac{1}{2}$ 
  - (2) An officer of the local law enforcement agency  $\frac{f_{+}}{f_{-}}$ ; and
  - (3) If applicable, an authorized employee of any designated third party.
- (b) Provide for the electronic submission of information by a scrap metal processor.
- 2. If a local law enforcement agency establishes an electronic reporting system or utilizes an existing electronic reporting system pursuant to subsection 1, each scrap metal processor that transacts business within the jurisdiction of the local law enforcement agency shall, before 12 p.m. of each <u>business</u> day, submit electronically to the local law enforcement agency <u>or</u>, if <u>applicable</u>, a <u>designated third party</u> the following information regarding each purchase of scrap metal conducted on the preceding day from a person who sold the scrap metal in his or her individual capacity:
  - (a) The name of the seller;
  - (b) The date of the purchase;
- (c) The name of the person or employee who conducted the transaction on behalf of the scrap metal processor;
- (d) The name, street, house number and date of birth listed on the identification provided pursuant to paragraph (c) of subsection 1 of NRS 647.094 and a physical description of the seller, including the seller's gender, height, eye color and hair color;
- (e) The license number and general description of any vehicle that delivered the scrap metal;
- (f) The description of the scrap metal recorded pursuant to paragraph (h) of subsection 1 of NRS 647.094; and
  - (g) The amount, in weight, of scrap metal purchased.

- 3. If a scrap metal processor is required to submit information to a local law enforcement agency <del>[electronically]</del> or, if applicable, a designated third party pursuant to subsection 2, the scrap metal processor shall display prominently at the point of purchase a public notice, in a form approved by the local law enforcement agency, describing the information that the scrap metal processor is required to submit electronically to the local law enforcement agency <del>[.]</del> or, if applicable, the designated third party.
- 4. Nothing in this section shall be deemed to limit or otherwise abrogate any duty of a scrap metal processor to maintain a book or other permanent record of information pursuant to NRS 647.094.
- 5. If a local law enforcement agency establishes an electronic reporting system or utilizes an existing electronic reporting system to receive information pursuant to this section, the local law enforcement agency shall, on or before January 15 of each odd-numbered year, submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report regarding the effect of the electronic reporting system on the incidence of crime which relates to the sale or purchase of scrap metal within the jurisdiction of the law enforcement agency.
- <u>6. The provisions of this section do not apply to the purchase of scrap metal from a business entity.</u>
- 7. As used in this section, "designated third party" means any person with whom a local law enforcement agency has entered into a contract for the purpose of receiving and storing any information required to be submitted electronically by a scrap metal processor pursuant to subsection 2.
- Sec. 1.5. <u>A person is immune from any civil liability for any action taken</u> in good faith and without malicious intent in carrying out the provisions of NRS 647.094 or section 1.3 of this act.
- Sec. 1.7. <u>1. Except as otherwise required pursuant to section 1.3 of this act, any information concerning the purchase of scrap metal, as described in NRS 647.094 and section 1.3 of this act, must be kept confidential by the person in whose possession such information is held.</u>
- 2. A person who knowingly and willfully violates subsection 1 is guilty of a gross misdemeanor.
  - Sec. 2. NRS 647.094 is hereby amended to read as follows:
- 647.094 1. Every scrap metal processor shall maintain in his or her place of business a book or other permanent record in which must be made, at the time of each purchase of scrap metal, a record of the purchase that contains:
  - (a) The date of the purchase.
- (b) The name or other identification of the person or employee conducting the transaction on behalf of the scrap metal processor.
  - (c) A copy of the seller's valid [personal]:
    - (1) Personal identification card [or valid driver's] issued by this State;
- (2) Driver's license issued by [a] this State or any other state [or] [a copy of the seller's valid] or territory of the United States;

- (3) United States military identification card [-]; or
- (4) Consular identification card as defined in NRS 237.200.
- (d) The name, street, house number and date of birth listed on the identification provided pursuant to paragraph (c) and a physical description of the seller, including the seller's gender, height, eye color and hair color.
  - (e) A photograph, video record or digital record of the seller.
- (f) The fingerprint of the right index finger of the seller. If the seller's right index finger is not available, the scrap metal processor must obtain the fingerprint of one of the seller's remaining fingers and thumbs.
- (g) The license number and general description of the vehicle delivering the scrap metal that is being purchased.
- (h) A description of the scrap metal that is being purchased which is consistent with the standards published and commonly applied in the scrap metal industry.
  - (i) The price paid by the scrap metal processor for the scrap metal.
- 2. All records kept pursuant to subsection 1 must be legibly written in the English language, if applicable.
- 3. A scrap metal processor shall document each purchase of scrap metal with a photograph or video recording which must be retained on-site for not less than 60 days after the date of the purchase.
- 4. All scrap metal purchased by the scrap metal processor and the records created in accordance with subsection 1, including, but not limited to, any photographs or video recordings, must at all times during ordinary hours of business be open to the inspection of a prosecuting attorney or any peace officer.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 212 to Senate Bill No. 235 provides that an employee of a designated third party may access the electronic system with whom a local law enforcement agency contracts for the purpose of receiving and storing information that is submitted electronically by a scrap-metal processor. It provides limited indemnification to any person who maintains, electronically submits or stores certain information concerning the purchase of scrap metal that is required to be submitted to a local law enforcement agency. The amendment also requires that the information relating to the purchase of scrap metal must be kept confidential by the person in whose possession such information is held.

Amendment No. 212 to Senate Bill No. 235 makes it a gross misdemeanor for any person to knowingly and willfully violate any provision of this bill concerning the maintenance, electronic submission or storage of the confidential information.

Finally, it adds that a seller may use a consular identification card as proof of identification.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 236.

Bill read second time.

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

Amendment No. 197.

"SUMMARY—Revises provisions governing state agencies. (BDR 19-769)"

"AN ACT relating to governmental administration; requiring a state agency to make available on an Internet website maintained by the state agency certain forms of the state agency in a format which allows the form to be completed, downloaded and saved electronically and submitted securely to the state agency via the Internet; authorizing a state agency to apply for a waiver from such a requirement; requiring the Interim Finance Committee to grant such a waiver in certain circumstances; authorizing a state agency to provide a copy of certain records to any other state agency upon request; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 3 of this bill requires each state agency, as soon as reasonably practicable, but not later than [January 1,] June 30, 2015, to make available on an Internet website maintained by the state agency an electronic version of each administrative form of the state agency in a format which allows the form to be completed, downloaded and saved electronically and submitted securely to the state agency via the Internet. Section 3 further authorizes a state agency to: (1) utilize, in a manner determined appropriate by the state agency, any program, software or technology to comply with that requirement  $\boxminus$ : (2) collaborate with other state agencies to comply with that requirement; and (3) comply with that requirement in phases or separate portions over time. Section 3 also authorizes a state agency to apply to the Interim Finance Committee for a waiver of that requirement and requires the Committee to grant the waiver if the Committee determines that extenuating circumstances exist or that the cost to comply with the requirement is unreasonable and would place an undue burden on the operations of the state agency. Section 4 of this bill authorizes a state agency, upon receiving a written request from any other state agency, to provide the requesting state agency with a copy of any record maintained by the state agency other than a record which is declared by law to be confidential or which the state agency determines must be kept confidential.

- Section 1. Chapter 237 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.
- Sec. 2. As used in sections 2, 3 and 4 of this act, the term "state agency" means every public agency, bureau, board, commission, department or division of the Executive Department of State Government.
- Sec. 3. 1. [4] Except as otherwise provided in subsection 3, a state agency shall, as soon as reasonably practicable, but not later than [January 1.] June 30. 2015, make available on an Internet website maintained by the state agency an electronic version of each administrative form of the state agency which is used by any person to submit information to the state agency. The electronic version of each administrative form must be

- in a format that allows a person to complete or prepare the form electronically, download and save an electronic copy of the form to a computer and submit the form to the state agency securely via the Internet.
  - 2. A state agency may *futilize*, in the discretion of the state agency:
- (a) Utilize, in the manner that the state agency determines is appropriate, any program, software or technology that the state agency determines is appropriate for the purposes of complying with the requirements of subsection  $1 \frac{f-1}{f-1}$ ;
- (b) Collaborate with another state agency to carry out the provisions of subsection 1, including, without limitation, for the purpose of sharing technology; and
- (c) Comply with the provisions of subsection 1 in phases or separate portions over time, if the state agency determines that such an approach would be useful in fully complying with the provisions of subsection 1 by June 30, 2015.
- 3. A state agency may apply to the Interim Finance Committee for a waiver of the requirements of subsection 1. The Committee shall grant such a waiver to a state agency if the Committee determines that extenuating circumstances exist or that the cost to comply with subsection 1 is unreasonable and would place an undue burden on the operations of the state agency.
- Sec. 4. A state agency may, upon receiving a written request from any other state agency, provide to the requesting state agency a copy of any record maintained by the state agency other than a record which is declared by law to be confidential or which the state agency determines must be kept confidential. For the purposes of providing a copy of a record pursuant to this subsection, if a state agency determines that a record is confidential in part and not confidential in part, the state agency may provide to the requesting state agency a copy of that portion of the record which is determined not to be confidential.
  - Sec. 5. This act becomes effective upon passage and approval.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Thank you, Mr. President pro Tempore. Amendment No. 197 to Senate Bill No. 236 revises the deadline for implementation of the bill's provisions to June 30, 2015, and adds more flexibility in complying with the measure, as follows: (1) agencies are allowed, at their discretion, to utilize any program, software or technology in the manner they deem appropriate to comply; (2) agencies may collaborate with each other in order to achieve compliance, including sharing technology; (3) agencies may, at their discretion, comply with the bill's provisions in phases over time in order to meet the June 30, 2015, deadline; and (4) an agency may apply to the Interim Finance Committee for a waiver from the bill's requirements which must be granted if it is determined that extenuating circumstances exist or that the cost of complying would place too heavy a burden on the agency's operations.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 258.

Bill read second time.

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

Amendment No. 231.

"SUMMARY—Creates the Task Force on the Prevention of Sexual Abuse of Children. (BDR 38-192)"

"AN ACT relating to the protection of children; creating the Task Force on the Prevention of Sexual Abuse of Children within the Division of Child and Family Services of the Department of Health and Human Services; requiring the Task Force to perform certain duties; providing for the expiration of the Task Force; and providing other matters properly relating thereto." Legislative Counsel's Digest:

The Division of Child and Family Services of the Department of Health and Human Services administers, coordinates and provides child welfare services in this State. (NRS 432B.180) Section 2 of this bill creates the Task Force on the Prevention of Sexual Abuse of Children within the Division. Section 3 of this bill establishes certain procedures governing the Task Force. Section 4 of this bill authorizes the Task Force to recommend a policy that includes educating certain persons who are associated with children about the sexual abuse of children, and providing support services to children in this State who may be affected by sexual abuse. Section 5 of this bill: (1) requires the Task Force to provide to the Governor and the Legislature recommendations, in the form of a report, to reduce the sexual abuse of children in this State; (2) sets a deadline for the submission of the report; (3) requires the Task Force to seek information from certain agencies, organizations and persons in compiling the required recommendations; and (4) requires the Task Force to recommend goals for policy to prevent the sexual abuse of children in this State. Section 6 of this bill provides for the expiration of the Task Force.

- Section 1. Chapter 432B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. 1. The Task Force on the Prevention of Sexual Abuse of Children is hereby created within the Division of Child and Family Services.
  - 2. The Task Force consists of 15 members as follows:
- (a) One member of the Senate and one member of the public, each appointed by the Majority Leader of the Senate;
- (b) One member of the Senate and one member of the public, each appointed by the Minority Leader of the Senate;
- (c) One member of the Assembly and one member of the public, each appointed by the Speaker of the Assembly;
- (d) One member of the Assembly and one member of the public, each appointed by the Minority Leader of the Assembly;

- (e) The Administrator of the Division of Child and Family Services or the designee of the Administrator;
- (f) The Superintendent of Public Instruction or the designee of the Superintendent;
  - (g) The Attorney General or the designee of the Attorney General;
- (h) A representative of an agency that is involved in the investigation, prosecution and treatment of cases of the sexual abuse of children in this State, appointed by the Administrator of the Division of Child and Family Services:
- (i) Two representatives of different statewide organizations of professional teachers, each appointed by the head of his or her organization, with the organizations of professional teachers to be chosen by the Superintendent of Public Instruction; and
- (j) A representative of an organization involved in the prevention of the sexual abuse of children in this State, appointed by the Administrator of the Division of Child and Family Services.
- 3. Each member of the Task Force must be involved actively in one or more aspects of the prevention of the sexual abuse of children and the promotion of child welfare in this State.
- Sec. 3. 1. The members of the Task Force on the Prevention of Sexual Abuse of Children shall, by a majority vote, elect a Chair and a Vice Chair from among their number.
- 2. The members of the Task Force shall meet at the call of the Chair [+] not more than 6 times. The Task Force shall prescribe rules for its management and government.
- 3. A majority of the members of the Task Force constitutes a quorum, and a quorum may exercise all the powers conferred on the Task Force.
  - 4. The members of the Task Force serve without compensation.
- 5. Vacancies on the Task Force must be filled in the same manner as original appointments.
- 6. The Administrator of the Division of Child and Family Services shall provide the Task Force with administrative support.
- 7. The Task Force shall comply with the provisions of chapter 241 of NRS.
- Sec. 4. 1. The Task Force on the Prevention of Sexual Abuse of Children may recommend a policy addressing the sexual abuse of children in this State that may include, without limitation:
- (a) Age-appropriate curriculum for pupils in prekindergarten through grade 5;
  - (b) Training for school personnel;
- (c) Providing educational information in school handbooks, pamphlets and other materials, for parents and guardians, including, without limitation:
  - (1) The warning signs of sexual abuse of children; and
  - (2) Assistance, referral or information concerning resources; and

- (d) The provision of:
- (1) Counseling and other resources available to any child in this State affected by sexual abuse; and
- (2) Emotional and educational support for any child in this State who has experienced sexual abuse, to allow the child to succeed in school.
- 2. Any policy recommended pursuant to this section may address, without limitation:
- (a) Methods to increase awareness in teachers, students and parents of issues regarding the sexual abuse of children, including, without limitation, warning signs that a child might be a victim of sexual abuse;
- (b) Actions that a child who is the victim of sexual abuse can take to obtain assistance and intervention; and
  - (c) Counseling options available for students affected by sexual abuse.
- Sec. 5. 1. The Task Force on the Prevention of Sexual Abuse of Children shall recommend to the Governor and the Legislature measures intended to reduce the incidence of the sexual abuse of children in this State. The Task Force may recommend, without limitation, specific legislation and methods to foster cooperation among state agencies and between the State and local governments. The Task Force shall, not later than June 30, 2014, submit a final report of its recommendations to the Director of the Legislative Counsel Bureau for transmission to the Governor and the next regular session of the Nevada Legislature.
- 2. In exercising the duties prescribed in subsection 1, the Task Force shall:
- (a) Gather information concerning the sexual abuse of children in this State:
- (b) Receive reports and testimony from persons, State and local governmental entities, community-based organizations and other public and private organizations;
- (c) Consult with employees of the Division of Child and Family Services, the Department of Public Safety, the Department of Education and any other state agency or department as necessary to accomplish the duties of the Task Force; and
- (d) Recommend goals and policies to prevent the sexual abuse of children in this State.
- Sec. 6. The Task Force shall meet not more than 6 times from July 1, 2013, through July 1, 2014.
- Sec. 7. This act becomes effective on July 1, 2013, and expires by limitation on July 1, 2014.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Amendment No. 231 to Senate Bill No. 258 specifies that the Task Force on the Prevention of Sexual Abuse of Children meet no more than six times from July 1, 2013, through July 1, 2014.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 268.

Bill read second time.

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

Amendment No. 214.

"SUMMARY—Requires a provider of wireless telecommunications to provide call location information to a law enforcement agency in <u>certain</u> emergency situations. (BDR 58-623)"

"AN ACT relating to telecommunications; requiring a provider of wireless telecommunications to provide call location information concerning the telecommunications device of a user to a law enforcement agency in certain circumstances; requiring a provider of wireless telecommunications to submit its emergency contact information to the Department of Public Safety; requiring the Department to maintain a database of such emergency contact information; authorizing the Department to adopt regulations; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Federal law authorizes, but does not require, telecommunications carriers to provide call location information concerning the user of a commercial mobile service in certain emergency situations. (47 U.S.C. § 222(d)(4)) Section 5 of this bill requires a provider of wireless telecommunications to provide, upon the request of a law enforcement agency, the most accurate call location information readily available concerning the telecommunications device of a user to assist the law enforcement agency in certain emergency situations. Section 6 of this bill requires a provider of wireless telecommunications to submit its emergency contact information to the Department of Public Safety to facilitate such requests from law enforcement agencies. Section 6 also requires the Department to maintain a database of such emergency contact information and to make the information available to a law enforcement agency immediately upon request. Section 7 of this bill authorizes the Department to adopt any necessary regulations to carry out the provisions of this bill.

- Section 1. Chapter 707 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.
- Sec. 2. As used in sections 2 to 7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.
  - Sec. 3. "Department" means the Department of Public Safety.
- Sec. 4. "Provider of wireless telecommunications" means a person that is licensed by the Federal Communications Commission to provide wireless

telecommunications services over a designated radio frequency and is authorized to do business in or submits to the jurisdiction of this State. The term includes a reseller of wireless telecommunications services.

- Sec. 5. 1. Upon the request of a law enforcement agency, a provider of wireless telecommunications shall provide call location information concerning the telecommunications device of a user to assist the law enforcement agency in responding to a call for emergency services or in an emergency situation that involves the <u>immediate</u> risk of death or serious physical harm. The provider of wireless telecommunications shall provide the most accurate call location information <u>readily</u> available, given any technical or other limitations that may affect the accuracy of the call location information in the relevant area.
- 2. Notwithstanding any other provision of law, nothing in this section prohibits a provider of wireless telecommunications from establishing any protocols which enable the provider to disclose call location information voluntarily in an emergency situation that involves the <u>immediate</u> risk of death or serious physical harm.
- 3. No cause of action may be brought against any provider of wireless telecommunications, its officers, employees or agents for providing call location information while acting in good faith and in accordance with the provisions of sections 2 to 7, inclusive, of this act.
- Sec. 6. 1. Any provider of wireless telecommunications shall submit its emergency contact information to the Department to facilitate requests from law enforcement agencies for call location information in accordance with section 5 of this act. Such emergency contact information must be submitted:
  - (a) Annually; and
- (b) As soon as practicable following any change in emergency contact information.
- 2. The Department shall maintain a database which contains all emergency contact information received pursuant to subsection 1 and shall make such information available to a law enforcement agency immediately upon request.
- Sec. 7. The Department may adopt such regulations as are necessary to carry out the provisions of sections 2 to 7, inclusive, of this act.
  - Sec. 8. This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting regulations; and
  - 2. On October 1, 2013, for all other purposes.

Senator Ford moved the adoption of the amendment.

Remarks by Senator Ford.

Amendment No. 214 to Senate Bill No. 268 requires a wireless telecommunications provider, upon request of a law enforcement agency, to provide the most accurate call location information readily available. It also adds that an emergency situation must involve the immediate risk of death or serious physical harm.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 272.

Bill read second time.

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

Amendment No. 175.

"SUMMARY—Provides for the revision of the boundary line between Storey County and Washoe County. (BDR 20-840)"

"AN ACT relating to counties; providing for the revision of the boundary line between Storey County and Washoe County; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill provides for the revision of the boundary line between Storey County and Washoe County upon the adoption of resolutions by the Board of County Commissioners of Storey County and the Board of County Commissioners of Washoe County approving the revision.

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

Section 1. NRS 243.340 is hereby amended to read as follows:

243.340 1. There shall be a county, to be known as Washoe County, to include all that part of the State of Nevada within the boundaries described as follows: Beginning at the northwest corner of Carson City, and running easterly along the northern boundary of Carson City to the county boundary monument common to Washoe County, Lyon County, Carson City and Storey County; thence N. 12°22′55″ W. 3,137.70 feet to the section corner common to sections 10, 11, 14 and 15, T. 16 N., R. 20 E., M.D.B. & M.; thence easterly along the section line common to sections 11 and 14 to the section corner common to sections 11, 12, 13 and 14, T. 16 N., R. 20 E., M.D.B. & M.; thence northerly along the section line common to sections 11 and 12 to the section corner common to sections 1, 2, 11 and 12, T. 16 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 1 and 2 to the east one-quarter corner of section 2; thence easterly along the east-west one-quarter section line to the range line common to R. 20 E. and R. 21 E., M.D.B. & M.; thence northerly along such range line to the township line common to T. 16 N. and T. 17 N., M.D.B. & M.; thence continuing northerly along the range line to the section corner common to sections 25 and 36, T. 17 N., R. 20 E., and sections 30 and 31, T. 17 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the range line to the section corner common to sections 24 and 25, T. 17 N., R. 20 E., and sections 19 and 30, T. 17 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the range line to the section corner common to sections 13 and 24, T. 17 N., R. 20 E., and sections 18 and 19, T. 17 N., R. 21 E., M.D.B. & M.; thence easterly along the section line

common to sections 18 and 19 to the section corner common to sections 17, 18, 19 and 20, T. 17 N., R. 21 E., M.D.B. & M.; thence northerly along the section line common to sections 17 and 18 to the section corner common to sections 7, 8, 17 and 18, T. 17 N., R. 21 E., M.D.B. & M.; thence westerly along the section line common to sections 7 and 18 to the south one-quarter corner of section 7; thence northerly along the north-south one-quarter section line to the one-quarter corner common to sections 6 and 7, T. 17 N., R. 21 E., M.D.B. & M.; thence westerly along the section line common to sections 6 and 7 to the range line common to R. 20 E. and R. 21 E., M.D.B. & M.; thence northerly along the range line to the township line common to T. 17 N. and T. 18 N., M.D.B. & M.; thence westerly along the township line to the south one-quarter corner of section 36, T. 18 N., R. 20 E., M.D.B. & M.; thence northerly along the north-south one-quarter section line to the one-quarter corner common to sections 25 and 36, T. 18 N., R. 20 E., M.D.B. & M.; thence easterly along the section line common to sections 25 and 36 to the range line common to R. 20 E. and R. 21 E., M.D.B. & M.; thence northerly along the range line to the section corner common to sections 24 and 25, T. 18 N., R. 20 E., M.D.B. & M., and sections 19 and 30, T. 18 N., R. 21 E., M.D.B. & M.; thence easterly along the section line common to sections 19 and 30 to the section corner common to sections 19, 20, 29 and 30, T. 18 N., R. 21 E., M.D.B. & M.; thence northerly along the section line common to sections 19 and 20 to the section corner common to sections 17, 18, 19 and 20, T. 18 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 17 and 18 to the section corner common to sections 7, 8, 17 and 18, T. 18 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 7 and 8 to the section corner common to sections 5, 6, 7 and 8, T. 18 N., R. 21 E., M.D.B. & M.; thence westerly along the section line common to sections 6 and 7 to the section corner common to sections 6 and 7 and sections 1 and 12, T. 18 N., R. 20 E., M.D.B. & M.; thence continuing westerly along the section line common to sections 1 and 12 to the section corner common to sections 1, 2, 11 and 12, T. 18 N., R. 20 E., M.D.B. & M.; thence northerly along the section line common to sections 1 and 2] North 47°38′11″West a distance of 1133.28 feet; thence North 38°40′56″ West a distance of 268.28 feet; thence North 04°57′57" West a distance of 1153.58 feet; thence North 02°01′41" East a distance of 671.51 feet; thence North 12°25'49" West a distance of 2504.99 feet to a point on the township line common to T. 20 N. and T. 21 N.; thence westerly along said township line to the section corner common to sections 1 and 2, T. 18 N., R. 20 E., and sections 35 and 36, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 35 and 36 to the section corner common to sections 25, 26, 35 and 36, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 25 and 26 to the section corner

common to sections 23, 24, 25 and 26, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 23 and 24, to the section corner common to sections 13, 14, 23 and 24, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 13 and 14 to the section corner common to sections 11, 12, 13 and 14, T. 19 N., R. 20 E., M.D.B. & M.; thence easterly along the section line common to sections 12 and 13 to the centerline of the Truckee River (as described in paragraph (a) of subsection 2 of NRS 243.335); thence down such centerline of the Truckee River to fthe section line common to described in paragraph (a) of subsection 2 of NRS 243.335: thence down such centerline to] its lower crossing; thence S. 53°06′03″ E. to a point in the Immigrant Road further described as being a 1 1/46-inch iron pipe marked Storey, Lyon and Washoe; thence S. 27°53′57″ W., 2,021.40 feet along the easterly line of Storey County to a point in the section line common to sections 3 and 10, T. 20 N., R. 24 E., M.D.B. & M.; thence easterly along the section lines common to sections 3 and 10 to the easterly boundary of the Pyramid Lake Reservation, thence northeasterly along said Pyramid Lake Reservation Boundary to the section line common to sections 26 and 35, T. 21 N., R. 24 E.; thence easterly along the section line common to sections 25, 26, 35 and 36, T. 21 N., R. 24 E.; thence continuing easterly along the section line common to sections 29, 30, 31 and 32, T. 21 N., R. 25 E. to the section corner common to sections 28, 29, 32 and 33, T. 21 N., R. 25 E.; thence northerly along the section lines common to sections 20, 21, 28 and 29 to the section corner common to sections 16, 17, 20 and 21, T. 21 N., R. 25 E., M.D.B. & M.; thence easterly along the section line common to sections 16 and 21 to the section corner common to sections 15, 16, 21 and 22, T. 21 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 3, 4, 9, 10, 15 and 16, to the township line common to T. 21 N. and T. 22 N., M.D.B. & M.; thence westerly along the township line to the section corner common to sections 33 and 34, T. 22 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 9, 10, 15, 16, 21, 22, 27, 28, 33 and 34 to the one-quarter corner common to sections 9 and 10, T. 22 N., R. 25 E., M.D.B. & M.; thence westerly along the one-quarter section line to the one-quarter corner common to sections 8 and 9, T. 22 N., R. 25 E.,

M.D.B. & M.; thence northerly along the section lines common to sections 4, 5, 8 and 9 to the township line common to T. 22 N. and T. 23 N., M.D.B. & M.; thence westerly along the township line to the section line common to sections 31 and 32, T. 23 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31 and 32 to the township lines common to T. 23 N., T. 24 N., M.D.B. & M.; thence westerly along the township line to the range line common to R. 24 E. and R. 25 E., M.D.B. & M.; thence northerly along the 40th degree of north latitude; thence westerly along the 40th degree of north latitude; thence westerly along the common range lines continuously through each successive township to the Oregon line; thence westerly along the Oregon line to the California line; thence southerly along the California line to the place of beginning.

- 2. Notwithstanding anything to the contrary in subsection 1:
- (a) The common boundary line between Carson City and Washoe County is redefined on July 1, 1969, and that boundary line is hereby established as provided in section 1.030 of chapter 213, Statutes of Nevada 1969, as amended.
- (b) The common boundary line between Storey County and Washoe County is redefined on April 21, 1973, and that boundary line is established as provided in subsection 1 and NRS 243.335.

#### Sec. 1.5. NRS 243.340 is hereby amended to read as follows:

243.340 1. There shall be a county, to be known as Washoe County, to include all that part of the State of Nevada within the boundaries described as follows: Beginning at the northwest corner of Carson City, and running easterly along the northern boundary of Carson City to the county boundary monument common to Washoe County, Lyon County, Carson City and Storey County; thence N. 12°22′55″ W. 3,137.70 feet to the section corner common to sections 10, 11, 14 and 15, T. 16 N., R. 20 E., M.D.B. & M.; thence easterly along the section line common to sections 11 and 14 to the section corner common to sections 11, 12, 13 and 14, T. 16 N., R. 20 E., M.D.B. & M.; thence northerly along the section line common to sections 11 and 12 to the section corner common to sections 1, 2, 11 and 12, T. 16 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 1 and 2 to the east one-quarter corner of section 2; thence easterly along the east-west one-quarter section line to the range line common to R. 20 E. and R. 21 E., M.D.B. & M.; thence northerly along such range line to the township line common to T. 16 N. and T. 17 N., M.D.B. & M.; thence continuing northerly along the range line to the section corner common to sections 25 and 36, T. 17 N., R. 20 E., and sections 30 and 31, T. 17 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the range line to the section corner common to sections 24 and 25, T. 17 N., R. 20 E., and sections 19 and 30, T. 17 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the range line to the section corner common to sections 13 and 24, T. 17 N., R. 20 E., and sections 18 and 19, T. 17 N., R. 21 E., M.D.B. & M.; thence easterly along the section line common to sections 18 and 19 to the section corner common to sections 17, 18, 19 and 20, T. 17 N., R. 21 E., M.D.B. & M.; thence northerly along the section line common to sections 17 and 18 to the section corner common to sections 7, 8, 17 and 18, T. 17 N., R. 21 E., M.D.B. & M.; thence westerly along the section line common to sections 7 and 18 to the south one-quarter corner of section 7; thence northerly along the north-south one-quarter section line to the one-quarter corner common to sections 6 and 7, T. 17 N., R. 21 E., M.D.B. & M.; thence westerly along the section line common to sections 6 and 7 to the range line common to R. 20 E. and R. 21 E., M.D.B. & M.; thence northerly along the range line to the township line common to T. 17 N. and T. 18 N., M.D.B. & M.; thence westerly along the township line to the south one-quarter corner of section 36, T. 18 N., R. 20 E., M.D.B. & M.; thence northerly along the north-south one-quarter section line to the one-quarter corner common to sections 25 and 36, T. 18 N., R. 20 E., M.D.B. & M.; thence easterly along the section line common to sections 25 and 36 to the range line common to R. 20 E. and R. 21 E., M.D.B. & M.; thence northerly along the range line to the section corner common to sections 24 and 25, T. 18 N., R. 20 E., M.D.B. & M., and sections 19 and 30, T. 18 N., R. 21 E., M.D.B. & M.; thence easterly along the section line common to sections 19 and 30 to the section corner common to sections 19, 20, 29 and 30, T. 18 N., R. 21 E., M.D.B. & M.; thence northerly along the section line common to sections 19 and 20 to the section corner common to sections 17, 18, 19 and 20, T. 18 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 17 and 18 to the section corner common to sections 7, 8, 17 and 18, T. 18 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 7 and 8 to the section corner common to sections 5, 6, 7 and 8, T. 18 N., R. 21 E., M.D.B. & M.; thence westerly along the section line common to sections 6 and 7 to the section corner common to sections 6 and 7 and sections 1 and 12, T. 18 N., R. 20 E., M.D.B. & M.; thence continuing westerly along the section line common to sections 1 and 12 to the section corner common to sections 1, 2, 11 and 12, T. 18 N., R. 20 E., M.D.B. & M.; thence northerly along the section line common to sections 1 and 2 to the section corner common to sections 1 and 2 and sections 35 and 36, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 35 and 36 to the section corner common to sections 25, 26, 35 and 36, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 25 and 26 to the section corner common to sections 23, 24, 25 and 26, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 23 and 24, to the section corner common to sections 13, 14, 23 and 24, T. 19 N., R. 20 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 13 and

14 to the section corner common to sections 11, 12, 13 and 14, T. 19 N., R. 20 E., M.D.B. & M.; thence easterly along the section line common to sections 12 and 13 to the centerline of the Truckee River (as described in paragraph (a) of subsection 2 of NRS 243.335); thence down such centerline of the Truckee River to the section line common to sections 10 and 11, T. 19 N., R. 21 E., M.D.B. & M.; thence continuing northerly along the section line common to sections 10 and 11 to the intersection of the section line common to sections 10 and 11 with the southern boundary of the right-of-way of Interstate Highway No. 80; thence continuing northeasterly along the southern boundary of the right-of-way of Interstate Highway No. 80 to the intersection of the southern boundary of the right-of-way of Interstate Highway No. 80 with the north-south centerline of section 32, T. 20 N., R. 22 E., M.D.B. & M.; thence continuing southerly along the centerline of section 32 to the centerline of the Truckee River, as described in paragraph (a) of subsection 2 of NRS 243.335; thence down such centerline to its lower crossing; thence S. 53°06′03" E. to a point in the Immigrant Road further described as being a 1 1/46-inch iron pipe marked Storey, Lyon and Washoe; thence S. 27°53′57" W., 2,021.40 feet along the easterly line of Storey County to a point in the section line common to sections 3 and 10, T. 20 N., R. 24 E., M.D.B. & M.; thence easterly along the section lines common to sections 3 and 10 to the easterly boundary of the Pyramid Lake Reservation, thence northeasterly along said Pyramid Lake Reservation Boundary to the section line common to sections 26 and 35, T. 21 N., R. 24 E.; thence easterly along the section line common to sections 25, 26, 35 and 36, T. 21 N., R. 24 E.; thence continuing easterly along the section line common to sections 29, 30, 31 and 32, T. 21 N., R. 25 E. to the section corner common to sections 28, 29, 32 and 33, T. 21 N., R. 25 E.; thence northerly along the section lines common to sections 20, 21, 28 and 29 to the section corner common to sections 16, 17, 20 and 21, T. 21 N., R. 25 E., M.D.B. & M.; thence easterly along the section line common to sections 16 and 21 to the section corner common to sections 15, 16, 21 and 22, T. 21 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 3, 4, 9, 10, 15 and 16, to the township line common to T. 21 N. and T. 22 N., M.D.B. & M.; thence westerly along the township line to the section corner common to sections 33 and 34, T. 22 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 9, 10, 15, 16, 21, 22, 27, 28, 33 and 34 to the one-quarter corner common to sections 9 and 10, T. 22 N., R. 25 E., M.D.B. & M.; thence westerly along the one-quarter section line to the one-quarter corner common to sections 8 and 9, T. 22 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 4, 5, 8 and 9 to the township line common to T. 22 N. and T. 23 N., M.D.B. & M.; thence westerly along the township line to the section line common to sections 31 and 32, T. 23 N., R. 25 E., M.D.B. & M.; thence northerly along the section lines common to sections 5,

- 6, 7, 8, 17, 18, 19, 20, 29, 30, 31 and 32 to the township lines common to T. 23 N., T. 24 N., M.D.B. & M.; thence westerly along the township line to the range line common to R. 24 E. and R. 25 E., M.D.B. & M.; thence northerly along the range line to the 40th degree of north latitude; thence westerly along the 40th degree of north latitude to the range line common to R. 23 E. and R. 24 E., M.D.B. & M.; thence northerly along the common range lines continuously through each successive township to the Oregon line; thence westerly along the Oregon line to the California line; thence southerly along the California line to the place of beginning.
  - 2. Notwithstanding anything to the contrary in subsection 1:
- (a) The common boundary line between Carson City and Washoe County is redefined on July 1, 1969, and that boundary line is hereby established as provided in section 1.030 of chapter 213, Statutes of Nevada 1969, as amended.
- (b) The common boundary line between Storey County and Washoe County is redefined on April 21, 1973, and that boundary line is established as provided in subsection 1 and NRS 243.335.
- Sec. 2. 1. All taxes and pledged revenue in existence before [the effective date of this act] July 1, 2013, must not be directly or indirectly modified in such a manner as to impair adversely any outstanding obligations of Storey County, until all those obligations have been discharged in full or provision for their payment and redemption has been fully made.
- 2. All taxes and pledged revenue in existence before [the effective date of this act] July 1, 2013, must not be directly or indirectly modified in such a manner as to impair adversely any outstanding obligations of Washoe County, until all those obligations have been discharged in full or provision for their payment and redemption has been fully made.
- Sec. 3. 1. This section and section 2 of this act become effective upon passage and approval.
- 2. Section 1 of this act becomes effective only upon the adoption on or after July 1, 2013, and on or before June 30, 2015, of a resolution by the Board of County Commissioners of Storey County and the Board of County Commissioners of Washoe County, respectively, approving the revisions described in the amendatory provisions of section 1 of this act to the boundary line between the respective Counties.
- [ 2. This act expires by limitation on June 30, 2015, if either the Board of County Commissioners of Storey County or the Board of County Commissioners of Washoe County, or both, have not adopted a resolution approving the revisions described in the amendatory provisions of section 1 of this act to the boundary line between the respective Counties.]
- 3. Section 1.5 of this act becomes effective only upon the adoption, on or after July 1, 2013, and on or before June 30, 2015, of a resolution by the Board of County Commissioners of Storey County and the Board of County Commissioners of Washoe County, respectively, approving the revisions

<u>described in the amendatory provisions of section 1.5 of this act to the</u> boundary line between the respective Counties.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Amendment No. 175 to Senate Bill No. 272 breaks the original Section 1 of the bill into two parts: now Section 1 and Section 1.5. It also adds language in Section 3 which separates from one another the actions necessary to accomplish boundary line revisions affecting two different parcels of land: one located along the Interstate 80 corridor east of Reno and the other located in Southeast Reno.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 273.

Bill read second time.

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

Amendment No. 198.

"SUMMARY—Revises provisions relating to deputy sheriffs. (BDR 20-470)"

"AN ACT relating to sheriffs; revising provisions governing the removal of deputy sheriffs in certain smaller counties; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, a peace officer must be certified by the Peace Officers' Standards and Training Commission within 1 year after beginning employment as a peace officer, unless an extension is granted. (NRS 289.550) In a county that does not have a metropolitan police department or whose population is less than 100,000 (currently counties other than Clark and Washoe Counties), a deputy sheriff who has completed a 12-month probationary period may be terminated from employment only for cause. (NRS 248.040, 248.045) In this context, for these smaller counties, this bill provides that "cause" includes a deputy's failure to become certified by the Peace Officers' Standards and Training Commission within the required time <u>fer</u> the loss of that certification — or the deputy's failure to maintain a valid driver's license.

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

Section 1. NRS 248.040 is hereby amended to read as follows:

248.040 1. Except as provided in NRS 248.045, each sheriff may:

(a) Appoint, in writing signed by him or her, one or more deputies, who may perform all the duties devolving on the sheriff of the county and such other duties as the sheriff may from time to time direct. The appointment of a deputy sheriff must not be construed to confer upon that deputy policymaking authority for the office of the sheriff or the county by which the deputy sheriff is employed.

- (b) Except as otherwise provided in this paragraph, only remove a deputy who has completed a probationary period of 12 months for cause. A deputy who functions as the head of a department or an administrative employee or who has not completed the probationary period may be removed at the sheriff's pleasure. As used in this paragraph, "cause" includes, without limitation:
- (1) Failure to be certified by the Peace Officers' Standards and Training Commission within the time required by NRS 289.550; for
- (2) Loss of the certification by the Peace Officers' Standards and Training Commission required by NRS 289.550 [+]; or
  - (3) Failure to maintain a valid driver's license.
- 2. No deputy sheriff is qualified to act as such unless he or she has taken an oath to discharge the duties of the office faithfully and impartially. The oath, together with the written appointment, must be recorded in the office of the recorder of the county within which the sheriff legally holds and exercises office. Revocations of such appointments must be recorded as provided in this subsection. From the time of the recording of the appointments or revocations therein, persons shall be deemed to have notice of the appointments or revocations.
- 3. The sheriff may require of his or her deputies such bonds as to the sheriff seem proper.
  - Sec. 2. This act becomes effective on July 1, 2013.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 198 to Senate Bill No. 273 adds failure to maintain a valid driver's license to those causes for which a deputy sheriff may be released from duty.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 287.

Bill read second time.

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

Amendment No. 139.

"SUMMARY—Revises provisions governing cosmetology. (BDR 54-830)"

"AN ACT relating to cosmetology; [authorizing the State Board of Cosmetology to adopt regulations setting forth the requirements for teaching a class or program in any branch of cosmetology at a location other than a school of cosmetology licensed by the Board;] revising provisions governing the display of a license or certificate of registration issued by the Board; [revising the circumstances under which salicylic acid may be used to peel skin;] and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law: (1) prohibits a person from conducting or operating a school of cosmetology in which any one or any combination of the occupations of cosmetology are taught or practiced without obtaining a license from the State Board of Cosmetology; and (2) requires each school of cosmetology to maintain a staff consisting of a certain number of licensed instructors. (NRS 644.190, 644.395) Existing law also authorizes the Board to take certain disciplinary actions against a person for violating any applicable regulations adopted by the Board, including, without limitation, refusing to issue or renew a license and imposing of a fine not to exceed \$2,000. (NRS 644.430) Section 1 of this bill authorizes the Board to adopt regulations setting forth the requirements for teaching a class or program in any branch of cosmetology at a location other than a school of cosmetology. Section 9 of this bill subjects a person to disciplinary action by the Board if the person violates a provision of those regulations.]

Existing law requires the holder of a license issued by the State Board of Cosmetology to practice any branch of cosmetology to display his or her current license in plain view of the public at the position where the holder of the license performs his or her work. If a person practices cosmetology in more than one place, the person is required to carry his or her license with him or her and display it wherever he or she is actually working. (NRS 644.290) Existing law also requires: (1) each cosmetologist's apprentice to display his or her certificate of registration in plain view of the public at the position where the cosmetologist's apprentice is being trained; (2) each holder of a license to operate a cosmetological establishment or to operate an establishment for hair braiding to display the license in plain view of members of the general public in the principal office or place of business of the holder of the license; and (3) each holder of a license to operate a school of cosmetology to display the license in a conspicuous place in the principal office or place of business of the holder of the license. (NRS 644.2175, 644.360, 644.3774, 644.410) Failure by the holder of any such license to display the license as required under existing law is grounds for disciplinary action by the Board. (NRS 644.430) Sections 3, 4 and 6-8 of this bill authorize the holder of the license or certificate of registration to display a <del>[copy]</del> duplicate of the license or certificate of registration in lieu of displaying the original license or certificate of registration. Section 9 of this bill makes the failure to display a feopyl duplicate of the license grounds for disciplinary action by the Board.

Existing law requires a person who is licensed by the Board to obtain a duplicate license if the original license is destroyed, misplaced or mutilated or if the name or address of the licensee changes. (NRS 644.295) Section 5 of this bill authorizes a licensee to obtain a duplicate license if required by the licensee for any other reason.

Existing law states that the provisions of chapter 644 of NRS governing cosmetology do not permit the local application of any corrosive substance, including, without limitation, any salicylic acid, for the purpose of pecling

skin. (NRS 644.470) Section 10 of this bill revises existing law by providing that any salicylic acid used for that purpose must not exceed a concentration of 2 percent.]

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

Section 1. [Chapter 644 of NRS is hereby amended by adding thereto a new section to read as follows:

The Board may adopt regulations setting forth the requirements for teaching a class or program in any branch of cosmetology at a location other than a school of cosmetology licensed by the Board. The regulations may include, without limitation, the requirements for approval of the curriculum for the class or program, the qualifications of any instructor for the class or program and the approval of the location of the class or program. Any hours obtained for completing or teaching the class or program must not be used for the accumulation of any hours required for initial licensure pursuant to this chapter.] (Deleted by amendment.)

- Sec. 2. FNRS 644.190 is hereby amended to read as follows:
- 644.190 1. It Except as otherwise provided in section 1 of this act, is unlawful for any person to conduct or operate a cosmetological establishment, an establishment for hair braiding, a school of cosmetology or any other place of business in which any one or any combination of the occupations of cosmetology are taught or practiced unless the person is licensed in accordance with the provisions of this chapter.
- 2. Except as otherwise provided in subsections 4 and 5, it is unlawful for any person to engage in, or attempt to engage in, the practice of cosmetology or any branch thereof, whether for compensation or otherwise, unless the person is licensed in accordance with the provisions of this chapter.
  - 3. This chapter does not prohibit:
- (a) Any student in any school of cosmetology established pursuant to the provisions of this chapter from engaging, in the school and as a student, in work connected with any branch or any combination of branches of cosmetology in the school.
- (b) An electrologist's apprentice from participating in a course of practical training and study.
- (e) A person issued a provisional license as an instructor pursuant to NRS 644.193 from acting as an instructor and accepting compensation therefor while accumulating the hours of training as a teacher required for an instructor's license.
- (d) The rendering of cosmetological services by a person who is licensed in accordance with the provisions of this chapter, if those services are rendered in connection with photographic services provided by a photographer.
- (e) A registered cosmetologist's apprentice from engaging in the practice of cosmetology under the immediate supervision of a licensed cosmetologist.

- 4. A person employed to render cosmetological services in the course of and incidental to the production of a motion picture, television program, commercial or advertisement is exempt from the licensing requirements of this chapter if he or she renders cosmetological services only to persons who will appear in that motion picture, television program, commercial or advertisement.
- 5. A person practicing hair braiding is exempt from the licensing requirements of this chapter applicable to hair braiding if the hair braiding is practiced on a person who is related within the sixth degree of consanguinity and the person does not accept compensation for the hair braiding.] (Deleted by amendment.)
  - Sec. 3. NRS 644.2175 is hereby amended to read as follows:
- 644.2175 1. A cosmetologist's apprentice shall display the certificate of registration issued to him or her by the Board or a feepyl duplicate of the certificate of registration in plain view of the public at the position where the cosmetologist's apprentice is being trained. The cosmetologist's apprentice, the licensed cosmetologist supervising and training the cosmetologist's apprentice, and the owner of the cosmetological establishment where the cosmetologist's apprentice is being trained shall not advertise or hold the cosmetologist's apprentice out as being a licensed cosmetologist, or use any title or abbreviation that would indicate that the cosmetologist's apprentice is a licensed cosmetologist.
- 2. To receive credit for an apprenticeship, a cosmetologist's apprentice must be regularly employed during his or her training by:
- (a) The cosmetological establishment where the cosmetologist's apprentice is being trained; or
- (b) If the cosmetologist's apprentice is being supervised and trained by a licensed cosmetologist who is leasing space in a cosmetological establishment, the licensed cosmetologist.
- 3. Not more than one cosmetologist's apprentice may be employed at any time at a licensed cosmetological establishment.
- 4. A licensed cosmetologist who is supervising and training a cosmetologist's apprentice shall:
  - (a) Supervise all work done by the cosmetologist's apprentice; and
- (b) Be in attendance at all times that the cosmetologist's apprentice is engaged in the practice of cosmetology.
- 5. A licensed cosmetologist who is supervising and training a cosmetologist's apprentice shall keep a daily record of the training that is provided to the cosmetologist's apprentice. The licensed cosmetologist shall:
- (a) Keep the daily records at the cosmetological establishment where the cosmetologist's apprentice is being trained and, upon the request of the Board, make the daily records available to the Board; and
- (b) Submit a copy of the records to the Board at such regular intervals as the Board may require by regulation.
  - 6. For the purposes of this chapter:

- (a) A licensed cosmetologist is not required to obtain a license from the Board as an instructor to train a cosmetologist's apprentice pursuant to this section and NRS 644.217, and the licensed cosmetologist is not subject to regulation as an instructor because he or she provides such training.
- (b) A licensed cosmetological establishment which employs a cosmetologist's apprentice or at which a cosmetologist's apprentice is being trained is not subject to regulation as a school of cosmetology because the cosmetologist's apprentice is being trained at the cosmetological establishment.
  - 7. The Board may adopt:
- (a) Regulations relating to the qualifications of a licensed cosmetologist to supervise and train a cosmetologist's apprentice;
- (b) Regulations relating to the procedures and subject matter that must be included in the training of a cosmetologist's apprentice;
- (c) Regulations relating to the training of a cosmetologist's apprentice to verify the number of hours of training received by the cosmetologist's apprentice; and
- (d) Such other regulations as the Board determines necessary to carry out the provisions of this section and NRS 644.217.
  - Sec. 4. NRS 644.290 is hereby amended to read as follows:
- 644.290 1. The holder of a license issued by the Board to practice any branch of cosmetology must display his or her current license *or a feepy}* duplicate of the license in plain view of the public at the position where the holder of the license performs his or her work.
- 2. If a person practices cosmetology in more than one place, the person [must] *shall* carry his or her license *or a feopyl duplicate of the license* with him or her and display [it] the license or feopyl duplicate wherever he or she is actually working.
  - Sec. 5. NRS 644.295 is hereby amended to read as follows:
  - 644.295 1. A person licensed pursuant to this chapter [shall]:
  - (a) Shall obtain a duplicate of that license if the:
  - [(a)] (1) Original was destroyed, misplaced or mutilated; or
  - $\frac{[(b)]}{(2)}$  Name or address of the licensee has changed  $\frac{[.]}{[.]}$ ; or
- (b) May obtain a duplicate of that license if required by the person for any other reason.
  - 2. To obtain a duplicate license a person must:
- (a) File an affidavit with the Board, on the form prescribed by the Board, which states that , if the person is required to obtain the duplicate pursuant to paragraph (a) of subsection 1, the original license was destroyed, misplaced or mutilated or that the person's name or address has changed [;] or, if the person is requesting the duplicate pursuant to paragraph (b) of subsection 1, that the duplicate is required by the person for a reason other than a reason set forth in paragraph (a) of subsection 1; and
  - (b) Pay a fee of \$25.
  - Sec. 6. NRS 644.360 is hereby amended to read as follows:

- 644.360 1. Every holder of a license issued by the Board to operate a cosmetological establishment shall display the license *or a feopyl duplicate of the license* in plain view of members of the general public in the principal office or place of business of the holder.
- 2. Except as otherwise provided in this section, the operator of a cosmetological establishment may lease space to or employ only licensed nail technologists, electrologists, aestheticians, hair designers, demonstrators of cosmetics and cosmetologists at the establishment to provide cosmetological services. This subsection does not prohibit an operator of a cosmetological establishment from:
- (a) Leasing space to or employing a barber. Such a barber remains under the jurisdiction of the State Barbers' Health and Sanitation Board and remains subject to the laws and regulations of this State applicable to his or her business or profession.
- (b) Leasing space to any other professional, including, without limitation, a provider of health care pursuant to subsection 3. Each such professional remains under the jurisdiction of the regulatory body which governs his or her business or profession and remains subject to the laws and regulations of this State applicable to such business or profession.
- 3. The operator of a cosmetological establishment may lease space at the cosmetological establishment to a provider of health care for the purpose of providing health care within the scope of his or her practice. The provider of health care shall not use the leased space to provide such health care at the same time a cosmetologist uses that space to engage in the practice of cosmetology. A provider of health care who leases space at a cosmetological establishment pursuant to this subsection remains under the jurisdiction of the regulatory body which governs his or her business or profession and remains subject to the laws and regulations of this State applicable to such business or profession.
  - 4. As used in this section:
- (a) "Provider of health care" means a person who is licensed, certified or otherwise authorized by the law of this State to administer health care in the ordinary course of business or practice of a profession.
- (b) "Space" includes, without limitation, a separate room in the cosmetological establishment.
  - Sec. 7. NRS 644.3774 is hereby amended to read as follows:
- 644.3774 Every holder of a license issued by the Board to operate an establishment for hair braiding shall display the license *or a feopyf duplicate* of the license in plain view of members of the general public in the principal office or place of business of the holder.
  - Sec. 8. NRS 644.410 is hereby amended to read as follows:
- 644.410 Every holder of a license issued by the Board to operate a school of cosmetology shall display the license or a *[copy]* duplicate of the *license* in a conspicuous place in the principal office or place of business of the holder.

- Sec. 9. NRS 644.430 is hereby amended to read as follows:
- 644.430 1. The following are grounds for disciplinary action by the Board:
- (a) Failure of an owner of an establishment for hair braiding, a cosmetological establishment, a licensed aesthetician, cosmetologist, hair designer, hair braider, electrologist, instructor, nail technologist, demonstrator of cosmetics or school of cosmetology, or a cosmetologist's apprentice to comply with the requirements of this chapter or the applicable regulations adopted by the Board.
- (b) Obtaining practice in cosmetology or any branch thereof, for money or anything of value, by fraudulent misrepresentation.
  - (c) Gross malpractice.
- (d) Continued practice by a person knowingly having an infectious or contagious disease.
- (e) Drunkenness or the use or possession, or both, of a controlled substance or dangerous drug without a prescription, while engaged in the practice of cosmetology.
  - (f) Advertisement by means of knowingly false or deceptive statements.
- (g) Permitting a license to be used where the holder thereof is not personally, actively and continuously engaged in business.
- (h) Failure to display the license or a <del>[copy]</del> <u>duplicate</u> of the license as provided in NRS 644.290, 644.360, 644.3774 and 644.410.
- (i) Entering, by a school of cosmetology, into an unconscionable contract with a student of cosmetology.
- (j) Continued practice of cosmetology or operation of a cosmetological establishment or school of cosmetology after the license therefor has expired.
- (k) [Violating a provision of a regulation adopted pursuant to section 1 of this act.
- (1) Any other unfair or unjust practice, method or dealing which, in the judgment of the Board, may justify such action.
- 2. If the Board determines that a violation of this section has occurred, it may:
  - (a) Refuse to issue or renew a license;
  - (b) Revoke or suspend a license;
  - (c) Place the licensee on probation for a specified period;
  - (d) Impose a fine not to exceed \$2,000; or
- (e) Take any combination of the actions authorized by paragraphs (a) to (d), inclusive.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - Sec. 10. FNRS 644.470 is hereby amended to read as follows:
- 644.470 Nothing in this chapter:
- 1. Authorizes the use of any X ray machine in the treatment of the scalp or in the removal of superfluous hair: or

2. Permits the local application of earbolic acid or corrosive sublimates or their derivatives or compounds, salicylic acid, in any concentration that exceeds 2 percent, resorcinol, or any other corrosive substance for the purpose of pecling skin. Any implantation of permanent pigment into the skin is prohibited.

A violation of the provisions of this section constitutes a misdemeanor.]
(Deleted by amendment.)

Sec. 11. This act becomes effective on July 1, 2013.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment No. 139 makes three changes to Senate Bill No. 287: (1) it deletes provisions authorizing the State Board of Cosmetology to adopt regulations for teaching a class or program in a branch of cosmetology rather than a cosmetology school; (2) it replaces the "copy" with "duplicate" when referring to displaying of a license or certificate of registration; and (3) it deletes provisions allowing a cosmetologist to apply salicylic acid to peel skin.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 305.

Bill read second time.

The following amendment was proposed by the Committee on Education: Amendment No. 293.

"SUMMARY—Revises provisions relating to education. (BDR 34-694)"

"AN ACT relating to education; authorizing a qualified high school pupil who completes a public or private internship to receive credit toward his or her academic requirements for graduation from high school; [authorizing certain employers under whose employ and supervision such an internship is completed to receive a business tax credit;] and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law establishes the academic subjects and courses of study which are required to receive a standard high school diploma in this State. (NRS 389.018-389.180) Section 1 of this bill authorizes a qualified high school pupil who is enrolled in grade 11 or 12 to receive one elective credit toward his or her academic requirements for graduation by completing a public or private internship of not less than 60 hours. [Section 2 of this bill authorizes a qualified employer to receive a business tax credit of \$250 for each pupil who completes such an internship under the employ and supervision of the employer.]

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

Section 1. Chapter 389 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A pupil enrolled in grade 11 or 12 at a public school who is at least 16 years of age must be allowed to apply not more than one credit toward the total number of credits required for graduation from high school if the pupil

successfully completes a public or private internship which has been approved pursuant to subsection 2 and which is of a duration of not less than 60 hours in a school year. The credit must be applied toward the pupil's elective course credits and not toward a course that is required for graduation from high school. [A pupil may not receive credit for the completion of an internship if the internship duplicates the requirements of a course of study in which the pupil has received instruction.]

2. With the approval of the State Board, the board of trustees of a school district or the governing body of a charter school may authorize a qualified pupil to participate in a public or private internship for the purpose of obtaining credit pursuant to subsection 1. If a board of trustees or governing body of a charter school authorizes the participation in a public or private internship, the board of trustees or governing body shall:

### (a) Prescribe:

- (1) The fields, trades or occupations in which a pupil may complete a public or private internship, including, without limitation, agriculture, manufacturing and construction;
- (2) The qualifications of a pupil for participation in a public or private internship;
- (3) The manner in which a qualified pupil must apply for participation in a public or private internship; and
- (4) The manner for verifying that a pupil has completed the requisite number of hours to qualify for credit; and
- (b) Establish and maintain a nonexclusive list of participating businesses, agencies and organizations which offer the employment and supervision of pupils for the purposes of obtaining academic credit in a public or private internship pursuant to this section.
- f 3. An employer, as defined in NRS 363B.030, in this State that employs a pupil as part of an internship pursuant to this section may apply for and receive a tax credit in the manner set forth in section 2 of this act.]
- Sec. 2. [Chapter 363B of NRS is hereby amended by adding therete a new section to read as follows:
- 1. For each pupil who completes an internship pursuant to section 1 of this act under the employ and supervision of an employer, the employer is entitled to a credit in the amount of \$250 against any excise tax paid by the employer pursuant to NRS 363B.110 for the calendar quarter in which the pupil completes the internship. An employer may not receive for any ealendar quarter credit against the excise tax imposed pursuant to NRS 363B.110 in an amount which exceeds the amount of the excise tax paid by the employer.
  - 2. The Department shall adopt regulations prescribing:
- (a) The manner in which an employer may apply for and receive such

(b) The requirements for providing proof satisfactory to the Department of the employment of a pupil and the completion of the internship.] (Deleted by amendment.)

Sec. 3. This act becomes effective:

- 1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On July 1, 2013, for all other purposes.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 293 to Senate Bill No. 305 deletes a restriction against a pupil receiving a credit for completing an internship if the pupil had already completed a course in a similar subject area. It also deletes provisions concerning a tax credit for employers offering an internship program under the provisions of the bill as a whole.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 313.

Bill read second time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 239.

"SUMMARY—Revises provisions relating to autonomous vehicles. (BDR 43-954)"

"AN ACT relating to autonomous vehicles; requiring an autonomous vehicle that is being tested on a highway within this State to meet certain conditions relating to a human operator; prohibiting an autonomous vehicle from being registered in this State, or tested or operated on a highway within this State, unless it meets certain conditions: [relating to safety;] providing that the manufacturer of a motor vehicle that has been converted to be an autonomous vehicle by a third party is immune from liability for certain injuries in certain circumstances; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law requires the Department of Motor Vehicles to adopt regulations authorizing the operation of autonomous vehicles on highways within the State of Nevada. (NRS 482A.100) Sections 2 and 7 of this bill exclude a vehicle that contains certain systems for assisting the driver from being an autonomous vehicle unless the combined effect of all such systems is to enable the vehicle to be driven without the active control or monitoring of a human operator. Section 2.5 of this bill requires a person or entity to submit to the Department proof of insurance or other proof of financial responsibility, in the amount of \$5,000,000, before testing an autonomous vehicle on a highway within this State. Section 3 of this bill requires an autonomous vehicle that is being tested on a highway within this State to

have a human operator who is seated in the driver's seat, monitoring the safe operation of the vehicle and capable of taking over control of the vehicle in an emergency. Section 4 of this bill prohibits an autonomous vehicle from being registered in this State unless it meets federal standards and regulations. Section 4 also prohibits an autonomous vehicle from being tested or operated on a highway within this State unless it is equipped with certain equipment to ensure its safe operation and can be operated in compliance with the motor vehicle and traffic laws of this State. Section 5 of this bill provides that the manufacturer of a motor vehicle that has been converted to an autonomous vehicle by a third party is not liable for an injury that results from that conversion unless the defect that caused the injury was present in the vehicle as originally manufactured.

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

- Section 1. Chapter 482A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. "Autonomous technology" means technology which is installed on a motor vehicle and which has the capability to drive the motor vehicle without the active control or monitoring of a human operator. The term does not include an active safety system or a system for driver assistance, including, without limitation, a system to provide electronic blind spot detection, crash avoidance, emergency braking, parking assistance, adaptive cruise control, lane keeping assistance, lane departure warning, or traffic jam and queuing assistance, unless any such system, alone or in combination with any other system, enables the vehicle on which the system is installed to be driven without the active control or monitoring of a human operator.
- Sec. 2.5. <u>Before a person or entity begins testing an autonomous vehicle</u> on a highway within this State, the person or entity must:
- 1. Submit to the Department proof of insurance or self-insurance acceptable to the Department in the amount of \$5,000,000; or
- 2. Make a cash deposit or post and maintain a surety bond or other acceptable form of security with the Department in the amount of \$5,000,000.
- Sec. 3. If an autonomous vehicle is being tested on a highway within this State, a human operator must be:
- 1. Seated in a position which allows the human operator to take immediate manual control of the autonomous vehicle;
  - 2. Monitoring the safe operation of the autonomous vehicle; and
- 3. Capable of taking over immediate manual control of the autonomous vehicle in the event of a failure of the autonomous technology or other emergency.
- Sec. 4. 1. An autonomous vehicle shall not be registered in this State unless the autonomous vehicle meets all federal standards and regulations that are applicable to a motor vehicle.

- 2. An autonomous vehicle shall not be tested or operated on a highway within this State unless the autonomous vehicle is:
- (a) Equipped with a means to engage and disengage the autonomous technology which is easily accessible to the human operator of the autonomous vehicle;
- (b) Equipped with a visual indicator located inside the autonomous vehicle which indicates when autonomous technology is *[driving]* operating the autonomous vehicle;
- (c) Equipped with a means to alert the human operator to take manual control of the autonomous vehicle if a failure of the autonomous technology has been detected and such failure affects the ability of the autonomous technology to operate safely the autonomous vehicle; and
- (d) Capable of being operated in compliance with the applicable motor vehicle laws and traffic laws of this State.
- Sec. 5. The manufacturer of a motor vehicle that has been converted by a third party into an autonomous vehicle is not liable for damages to any person injured due to a defect caused by the conversion of the motor vehicle or by any equipment installed to facilitate the conversion unless the defect that caused the injury was present in the vehicle as originally manufactured.
  - Sec. 6. NRS 482A.010 is hereby amended to read as follows:
- 482A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS [482A.020 to 482A.050, inclusive,] 482A.030 and 482A.040 and section 2 of this act have the meanings ascribed to them in those sections.
  - Sec. 7. NRS 482A.030 is hereby amended to read as follows:
- 482A.030 "Autonomous vehicle" means a motor vehicle that [uses] [artificial intelligence, sensors and global positioning system coordinates to drive itself without the active intervention of a human operator.] is equipped with autonomous technology.
  - Sec. 8. NRS 482A.200 is hereby amended to read as follows:
- 482A.200 The Department shall by regulation establish a driver's license endorsement for the operation of an autonomous vehicle on the highways of this State. The driver's license endorsement described in this section must, in its restrictions or lack thereof, recognize the fact that a person is not required to actively drive an autonomous vehicle [-], except in case of emergency.
  - Sec. 9. NRS 482A.020 and 482A.050 are hereby repealed.
  - Sec. 10. This act becomes effective on July 1, 2013.

### TEXT OF REPEALED SECTIONS

- 482A.020 "Artificial intelligence" defined. "Artificial intelligence" means the use of computers and related equipment to enable a machine to duplicate or mimic the behavior of human beings.
- 482A.050 "Sensors" defined. "Sensors" includes, without limitation, cameras, lasers and radar.

Senator Manendo moved the adoption of the amendment.

### Remarks by Senator Manendo.

Amendment No. 239 to Senate Bill No. 313 provides that prior to the start of testing a vehicle equipped with autonomous technology, the entity performing the test must submit a \$5-million instrument of insurance, surety bond or proof of self-insurance to the Department of Motor Vehicles.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 315.

Bill read second time.

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

Amendment No. 360.

"SUMMARY—Revises provisions relating to health district. (BDR 40-1066)"

"AN ACT relating to public health; revising provisions governing the membership of district boards of health; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law creates a district board of health within each health district. Certain positions on the boards are filled by elected members of certain local governing bodies chosen by those local governing bodies. (NRS 439.362) This bill [allows the local governing bodies to select any person who resides within the jurisdiction of the governing body to fill those positions. In addition, this bill] adds [two representatives] to the board\_[: (1)] a representative of a recycling business that is not in the business of disposing of municipal solid waste\_[; and (2) a representative of a governmental entity or person responsible for the management and disposal of solid waste generated within the health district.] This bill further limits certain members to serve not more than two terms.

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

Section 1. NRS 439.362 is hereby amended to read as follows:

- 439.362 1. A health district with a health department consisting of a district health officer and a district board of health is hereby created.
  - 2. The district board of health consists of:
- (a) <u>Representatives selected by the following entities from among their elected members:</u>
- (1) Two representatives  $\underline{of}$   $\underline{fselected by}$  the board of county commissioners:
  - (2) Ifrom among the residents of that county;
- (b)] Two representatives of fselected by] the governing body of the largest incorporated city in the county; from among the residents of that city;] and

- (3) f(e)] One representative of fselected by] the governing body of each other city in the county : ffrom among the residents of the city in which the governing body sits;] and
- (b) f(d) The following representatives, selected by the elected representatives fmembers of the district board of health selected pursuant to paragraph (a), fparagraphs (a), (b) and (e), who shall represent the health district at large and who must be selected based on their qualifications without regard to the location within the health district of their residence or, except as otherwise provided, their place of employment:
- (1) Two representatives who are physicians licensed to practice medicine in this State, one of whom is selected on the basis of his or her education, training, experience or demonstrated abilities in the provision of health care services to members of minority groups and other medically underserved populations;
- (2) One representative who is a nurse licensed to practice nursing in this State:
- (3) One representative who has a background or expertise in environmental health or environmental health services;
- (4) One representative *[who is an employee]* of a *[nongaming]* business *[or from an industry]* that is *[not in the business of disposing of municipal solid waste but is]* subject to regulation by the health district *[;] [and] who is not an owner, employee or independent contractor of a gaming establishment;*
- (5) One representative of the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees to the State pursuant to NRS 463.370 in the preceding year, who must be selected from a list of nominees submitted by the association. If no such association exists, the representative selected pursuant to this subparagraph must represent the gaming industry [.]; and
- (6) One representative who is an employee of an entity that specializes in recycling but is not in the business of disposing of municipal solid waste. <del>[; and</del>]
- (7) One representative of a governmental entity or person responsible for the management and disposal of solid waste generated within the health district.
- 3. Members of the district board of health serve terms of 2 years. A member selected pursuant to paragraph  $\frac{f(d)}{f(d)}$  (b) of subsection 2 may serve for not more than two terms. Vacancies must be filled in the same manner as the original selection for the remainder of the unexpired term. Members serve without additional compensation for their services, but are entitled to reimbursement for necessary expenses for attending meetings or otherwise engaging in the business of the board.
- 4. The district board of health shall meet in July of each year to organize and elect one of its members as chair of the board.

- 5. The county treasurer is the treasurer of the district board of health. The treasurer shall:
- (a) Keep permanent accounts of all money received by, disbursed for and on behalf of the district board of health; and
- (b) Administer the health district fund created by the board of county commissioners pursuant to NRS 439.363.
- 6. The district board of health shall maintain records of all of its proceedings and minutes of all meetings, which must be open to inspection.
- 7. No county, city or town board of health may be created in the county. Any county, city or town board of health in existence when the district board of health is created must be abolished.
- Sec. 2. The [two-members] one representative added to a district board of health pursuant to [subparagraphs] subparagraph (6) [and (7)] of paragraph  $\frac{f(d)}{f(d)}$  (b) of subsection 2 of NRS 439.362, as amended by section 1 of this act , shall be appointed as soon as practicable after July 1, 2013.
- Sec. 3. Notwithstanding the amendatory provisions of this act, a member of a district board of health created pursuant to NRS 439.362, as amended by section 1 of this act, who is serving on July 1, 2013, may continue to serve until the expiration of his or her term. If the position of a member becomes vacant on or after July 1, 2013, the vacancy must be filled in the manner provided by NRS 439.362, as amended by section 1 of this act.
  - Sec. 4. This act becomes effective on July 1, 2013.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Thank you, Mr. President pro Tempore. Amendment No. 360 to Senate Bill No. 315 retains the current statutory provisions related to the makeup of a district board of health, with the following exceptions: (1) it clarifies that the non-gaming representative must not be an owner, employee or independent contractor of a gaming business; and (2) it requires one representative to be an employee of an entity that specializes in recycling but is not in the business of disposing of municipal waste.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 340.

Bill read second time.

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

Amendment No. 358.

"SUMMARY—Revises provisions relating to the delivery of health care. (BDR 40-595)"

"AN ACT relating to health care; providing [in-skeleton form] for the creation of [a patient centered medical home program;] the Office for Patient-Centered Medical Homes and the Advisory Council on Patient-Centered Medical Homes; revising provisions relating to medical records; and providing other matters properly relating thereto." Legislative Counsel's Digest:

Sections 2-12 of this bill provide [in skeleton form] for the creation of [a Patient-Centered Medical Home Program the Office for Patient-Centered Medical Homes and the Advisory Council on Patient-Centered Medical Homes within the Health Division of the Department of Health and Human Services. Section 10 of this bill requires the [Director] Administrator of the [Department] Health Division to administer the [Program] Office and to adopt regulations to establish certain standards and processes relating to the [Program.] Office. Section 10.5 of this bill requires a primary care practice to be certified by the Office before operating as a patient-centered medical home. Section 11 of this bill allows an insurer which <del>[participates in the</del> Program: registers with the Office: (1) to pay a patient-centered medical home [that participates in the Program] for the coordination of care for insureds; (2) to pay incentives to a patient-centered medical home; [that participates in the Program; and (3) if authorized by an insured, to share information about the insured with a patient-centered medical home and any other practitioner or health facility that provides health services to the insured. Sections 10.5 and 11 require the Administrator to adopt necessary regulations to provide for the certification of patient-centered medical homes and the registration of insurers, including regulations to impose a fee for certification and registration.

Section 12 of this bill requires the [Director] Administrator to evaluate the effectiveness of patient-centered medical homes and the [Program] efforts of the Office to promote and regulate such homes and report [on the effectiveness of the program] to the Legislature with the results of the evaluation on or before January 1, 2019. Section 15 of this bill [provides that] makes the [Program expires] provisions of this bill relating to patient-centered medical homes expire by limitation on June 30, 2019.

Existing law requires a provider of health care, including a facility that maintains the health care records of patients, to make the health care records of a patient available for inspection in certain circumstances. (NRS 629.021, 629.061) Section 13 of this bill: (1) extends the period of time within which a provider of health care must make health care records available for inspection; and (2) absolves certain providers of health care who have transferred custody of a health care record to a facility that maintains the health care records of patients from the requirement to make the health care record available for inspection. Section 14 of this bill repeals a provision making it a misdemeanor for a physician licensed pursuant to chapter 630 of NRS to willfully fail or refuse to comply with this requirement.

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

Section 1. Chapter 439A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 12, inclusive, of this act.

Sec. 2. As used in sections 2 to 12, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections  $\frac{23}{2.3}$  to

- [8,] 7, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 2.3. "Administrator" means the Administrator of the Health Division.
- Sec. 2.7. <u>"Advisory Council" means the Advisory Council on Patient Centered Medical Homes established pursuant to section 11.5 of this act.</u>
- Sec. 3. "Federally qualified health center" has the meaning ascribed to it in 42 U.S.C. §  $\frac{1254B.}{1396d(1)(2)(B)}$ .
- Sec. 3.5. <u>"Health Division" means the Health Division of the Department.</u>
- Sec. 4. "Insured" means a person who fis covered under a policy of health insurance sold by receives health coverage or benefits in accordance with state law from an insurer.
- Sec. 5. "Insurer" means a person fwho is licensed to offer policies of health insurance pursuant to title 57 of NRS.] or governmental entity that provides health coverage or benefits in accordance with state law. The term includes, without limitation:
- 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides health insurance through a plan of self-insurance pursuant to NRS 287.010 to 287.040, inclusive.
- 2. The Board of the Public Employees' Benefits Program if the Board provides health insurance through a plan of self-insurance pursuant to NRS 287.04335.
- 3. The Division of Health Care Financing and Policy of the Department for the purpose of administering the Medicaid program and the Children's Health Insurance Program pursuant to chapter 422 of NRS.
- 4. An insurer that issues policies of individual health insurance pursuant to chapter 689A of NRS or policies of group health insurance pursuant to chapter 689B of NRS.
- 5. A carrier who provides health benefit plans pursuant to chapter 689C of NRS.
- <u>6. A fraternal benefit society that provides hospital, medical or nursing benefits pursuant to chapter 695A of NRS.</u>
- 7. A corporation organized for the purpose of maintaining and operating a hospital, medical or dental service plan pursuant to chapter 695B of NRS.
- <u>8. A health maintenance organization established and operated pursuant to chapter 695C of NRS.</u>
- 9. A managed care organization established and operated pursuant to chapter 695G of NRS.
- <u>10. The Silver State Health Insurance Exchange established pursuant to NRS 6951.200.</u>

- Sec. 5.5. "Office" means the Office for Patient-Centered Medical Homes created pursuant to section 9 of this act.
- Sec. 6. "Patient-centered medical home" means a primary care practice forganized to provide a first, coordinated, ongoing and comprehensive source of care to insureds to:
  - 1. Foster a partnership with an insured;
  - 2. Coordinate health care services for an insured; and
- 3. Exchange medical information with insurers, other providers of health services and insureds.] certified by the Office pursuant to section 10.5 of this act.
- Sec. 7. "Primary care practice" means a federally qualified health center or a business where health services are provided by one or more nurse practitioners or one or more physicians who are licensed pursuant to chapter 630 or 633 of NRS and who practice in the area of family practice, internal medicine or pediatrics.
- Sec. 8. ["Program" means the Patient Centered Medical Home Program ereated pursuant to section 9 of this act.] (Deleted by amendment.)
- Sec. 9. 1. There is hereby created within the <u>{Department} Health Division the Office for Patient-Centered Medical <del>{Home Program.} Homes.</del>} }</u>
- 2. The [Program] Office shall encourage the development of patient-centered medical homes and adopt standards to encourage insurers to provide coverage for health services provided to insureds by patient-centered medical homes.
- Sec. 10. 1. The *[Director]* Administrator or his or her designee shall administer the *[Program.]* Office.
- 2. The [Director] Administrator or his or her designee shall adopt regulations to carry out the provisions of sections 2 to 12, inclusive, of this act, which may include, without limitation, regulations to establish:
- (a) Standards for the qualification and operation of a patient-centered medical home;
- (b) Standards for <u>fthe payment off</u> <u>submitting</u> claims <del>[by]</del> <u>to</u> an insurer for health services received by an insured <del>[at]</del> <u>from</u> a patient-centered medical home;
- (c) Standards for any incentive that may be provided by an insurer to a patient-centered medical home fit pursuant to section 11 of this act;
- (d) A method to measure the effectiveness of a patient-centered medical home;  $\underline{and}$
- (e) A process for insureds <del>[of an insurer participating in the Program]</del> to <del>[choose]</del> <u>determine</u> whether to receive health services from a patient centered medical home <del>[; and</del>]
- (f) A process for insurers and patient-centered medical homes to choose to participate in the Program.] when such services are available.
- 3. In adopting regulations pursuant to this section, the *[Director] Administrator* or his or her designee shall:

- (a) Ensure that the *[Program is operated]* Office carries out its duties in the public interest and in such a manner as to promote the efficient and effective provision of health services;
- (b) Consider the use of health information technology, including <u>, without</u> limitation, electronic medical records;
- (c) Consider the relationship between the patient-centered medical home and other practitioners and health facilities;
- (d) Consider the ability of a patient-centered medical home to foster a partnership with <del>[an insured]</del> insureds and provide services to <del>[an insured]</del> insureds in a timely manner; and
- (e) Consider the use of comprehensive management of medication to improve outcomes.
- 4. The Administrator shall monitor insurers and patient-centered medical homes and adopt such regulations as necessary to ensure that the insurers and patient-centered medical homes may engage in the activities authorized pursuant to sections 2 to 12, inclusive, of this act, and any regulations adopted pursuant thereto, to the greatest extent possible without violating federal antitrust laws. Any act of an insurer or a patient-centered medical home which is in compliance with sections 2 to 12, inclusive, of this act, and any regulations adopted pursuant thereto, does not constitute an unfair trade practice for the purposes of chapter 598A of NRS.
- Sec. 10.5. <u>1. Before a primary care practice may operate as a patient centered medical home, the primary care practice must obtain certification from the Office.</u>
- 2. The Office shall certify a primary care practice for the purpose of operating as a patient-centered medical home if the primary care practice demonstrates to the Office that:
- (a) Insureds will receive health services from a team of medical professionals who are directed by one or more physicians who practice in the area of family practice, internal medicine or pediatrics;
- (b) The provision of health services at the patient-centered medical home will be evidence-based and provided on a comprehensive and ongoing basis;
- (c) Insureds who receive services at the patient-centered medical home will have enhanced access to health services and improved communication with practitioners and coordination of health services;
- (d) Health information technology will be used to improve the delivery of health services to insureds;
- (e) Improved outcomes for insureds will be possible and provided in a more cost-effective manner; and
- (f) The practice is in compliance with any other requirements established by the Office by regulation.
- 3. The Administrator shall adopt any regulations necessary to carry out the provisions of this section, which may include, without limitation, regulations establishing:

- (a) A fee for certification by the Office which may be set at an amount not to exceed the costs related to certification;
  - (b) The manner in which to apply for certification; and
  - (c) The expiration and renewal of registration.
- Sec. 11. 1. [Notwithstanding any provision of law to the contrary, an] An insurer [who participates in the Program] that registers with the Office may provide an incentive to a patient-centered medical home that offers services to its insureds in the manner and amount authorized by the Office by regulation.
  - 2. An insurer that registers with the Office pursuant to subsection 1 may:
- (a) Pay a patient-centered medical home <del>[that participates in the Program]</del> for services associated with the coordination of care for any health services provided to an insured; <u>and</u>
- (b) [Pursuant to the regulations adopted pursuant to section 10 of this act; pay an incentive to a patient-centered medical home; that participates in the Program; and
- (e)] Subject to the provisions of subsection [2,] 3, share health care records and other related information about an insured who has [ehosen] elected to receive services from a patient-centered medical home [that participates in the Program] with the patient-centered medical home and any other practitioner or health facility that provides health services to the insured.
- $\frac{\{2,\}}{2}$  3. An insurer  $\frac{\{.\}}{2}$  that registers with the Office, a patient-centered medical home and any other practitioner or health facility may  $\frac{\{.\}}{2}$  share health care records and other related information about an insured  $\frac{\{.\}}{2}$  with each other  $\frac{1}{2}$  only if the insured  $\frac{1}{2}$  authorizes them  $\frac{1}{2}$  provides authorization to share such information. An authorization to share information pursuant to this subsection:
- (a) Must be made on a form prescribed by the <del>[Director]</del> <u>Administrator</u> or his or her designee that is signed by the insured;
- (b) Expires 1 year after the date on which the insured signed the form; and
  - (c) May be renewed.
- [3.] 4. The Administrator shall adopt any regulations necessary to carry out the provisions of this section, which may include, without limitation, regulations establishing:
- (a) A fee for registering with the Office which may be set at an amount not to exceed the costs related to registration;
  - (b) The manner in which to apply for registration; and
  - (c) The expiration and renewal of registration.
- <u>5.</u> As used in this section, "health care records" has the meaning ascribed to it in NRS 629.021.
- Sec. 11.5. <u>1. Within the limits of available money, the Health Division shall establish the Advisory Council on Patient-Centered Medical Homes to </u>

- advise and make recommendations to the Health Division concerning the Office.
- 2. The Administrator shall appoint to the Advisory Council the following seven voting members:
  - (a) The State Health Officer or his or her designee;
  - (b) The Commissioner of Insurance or his or her designee;
  - (c) The Director of the Department or his or her designee;
- (d) The Administrator of the Division of Health Care Financing and Policy of the Department or his or her designee;
  - (e) The Governor or his or her designee;
- (f) One representative of the health insurance industry who serves at the pleasure of the Administrator; and
- (g) One provider of health care who serves at the pleasure of the Administrator.
- 3. The Legislative Commission shall appoint to the Advisory Council the following two voting members:
  - (a) One member of the Senate; and
  - (b) One member of the Assembly.
- 4. A majority of the voting members of the Advisory Council may appoint nonvoting members to the Advisory Council.
- Sec. 11.7. <u>1. The members of the Advisory Council serve terms of 2 years and may be reappointed. Vacancies must be filled in the same manner as the original appointment.</u>
- 2. At its first meeting and annually thereafter, a majority of the voting members of the Advisory Council shall select a Chair and a Vice Chair of the Advisory Council.
- 3. A majority of the voting members of the Advisory Council may appoint committees or subcommittees to study issues relating to patient-centered medical homes.
- 4. The Health Division shall, within the limits of available money, provide the necessary professional staff and a secretary for the Advisory Council.
- 5. A majority of the voting members of the Advisory Council constitutes a quorum to transact all business, and a majority of those voting members present, physically or via telecommunications, must concur in any decision.
- <u>6. The Advisory Council shall, within the limits of available money, meet at the call of the Administrator, the Chair or a majority of the voting members of the Advisory Council quarterly or as is necessary.</u>
- 7. A member of the Advisory Council who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation so that he or she may prepare for and attend meetings of the Advisory Council and perform any work necessary to carry out the duties of the Advisory Council in the most timely manner practicable. A state agency or political subdivision of this

State shall not require an officer or employee who is a member of the Advisory Council to:

- (a) Make up the time the member is absent from work to carry out his or her duties as a member of the Advisory Council; or
  - (b) Take annual leave or compensatory time for the absence.
- 8. The members of the Advisory Council serve without compensation, except that:
- (a) For each day or portion of a day during which a member of the Advisory Council who is a Legislator attends a meeting of the Advisory Council or is otherwise engaged in the business of the Advisory Council, except during a regular or special session of the Legislature, the Legislator is entitled to receive the:
- (1) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session;
  - (2) Per diem allowance provided for state officers generally; and
  - (3) Travel expenses provided pursuant to NRS 218A.655; and
- (b) Each member who is not a Legislator is entitled, while engaged in the business of the Advisory Council and within the limits of available money, to the per diem allowance and travel expenses provided for state officers and employees generally.
- 9. The compensation, per diem allowances and travel expenses of the members of the Advisory Council who are Legislators must be paid from the Legislative Fund.
- Sec. 11.9. To assist the Office in carrying out the provisions of sections 2 to 12, inclusive, of this act, the Advisory Council shall, within the limits of available money, investigate, consider and advise the Office on any issue relating to patient-centered medical homes.
- Sec. 12. 1. On or before January 1, 2019, the [Director] Administrator or his or her designee shall:
- (a) Conduct an evaluation of the effectiveness of *[the Program;]* patient centered medical homes in this State and of the efforts of the Office to promote and regulate patient-centered medical homes; and
- (b) Submit a written report compiling the results of the evaluation <del>[of the Program]</del> to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.
- 2. The evaluation must include information relating to the effects of *fthe Program* patient-centered medical homes and the Office on:
  - (a) The costs and outcomes of health care;
  - (b) The delivery of health care;
  - (c) The quality of processes for the delivery of health care;
  - (d) Access to services for the coordination of health care;
- (e) Whether the enhanced payments allowed <del>[under the Program are]</del> <u>to</u> <u>patient-centered medical homes provide</u> adequate <u>compensation</u> for the expanded services provided by <del>[a]</del> patient-centered medical <del>[home;]</del> homes;

- (f) The satisfaction of insureds with the quality and delivery of health care f: received from patient-centered medical homes;
- (g) The satisfaction of practitioners with the quality and delivery of health care  $\frac{f+f}{f+1}$  at patient-centered medical homes; and
- (h) Any <u>existing</u> disparities in the ability of different groups of persons to obtain health care.
  - Sec. 13. NRS 629.061 is hereby amended to read as follows:
- 629.061 1. [Each] Except as otherwise provided in subsection 8, each provider of health care shall make the health care records of a patient available for physical inspection by:
- (a) The patient or a representative with written authorization from the patient;
  - (b) The personal representative of the estate of a deceased patient;
  - (c) Any trustee of a living trust created by a deceased patient;
- (d) The parent or guardian of a deceased patient who died before reaching the age of majority;
- (e) An investigator for the Attorney General or a grand jury investigating an alleged violation of NRS 200.495, 200.5091 to 200.50995, inclusive, or 422.540 to 422.570, inclusive;
- (f) An investigator for the Attorney General investigating an alleged violation of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive, or any fraud in the administration of chapter 616A, 616B, 616C, 616D or 617 of NRS or in the provision of benefits for industrial insurance; or
- (g) Any authorized representative or investigator of a state licensing board during the course of any investigation authorized by law.
- The records must be made available at a place within the depository convenient for physical inspection. If the records are located within this State, the provider shall make any records requested pursuant to this section available for inspection within  $\frac{5}{15}$  working days after the request. If the records are located outside this State, the provider shall make any records requested pursuant to this section available in this State for inspection within  $\frac{10}{10}$  20 working days after the request.
- 2. Except as otherwise provided in subsection 3, the provider of health care shall also furnish a copy of the records to each person described in subsection 1 who requests it and pays the actual cost of postage, if any, the costs of making the copy, not to exceed 60 cents per page for photocopies and a reasonable cost for copies of X-ray photographs and other health care records produced by similar processes. No administrative fee or additional service fee of any kind may be charged for furnishing such a copy.
- 3. The provider of health care shall also furnish a copy of any records that are necessary to support a claim or appeal under any provision of the Social Security Act, 42 U.S.C. §§ 301 et seq., or under any federal or state financial needs-based benefit program, without charge, to a patient, or a representative with written authorization from the patient, who requests it, if

the request is accompanied by documentation of the claim or appeal. A copying fee, not to exceed 60 cents per page for photocopies and a reasonable cost for copies of X-ray photographs and other health care records produced by similar processes, may be charged by the provider of health care for furnishing a second copy of the records to support the same claim or appeal. No administrative fee or additional service fee of any kind may be charged for furnishing such a copy. The provider of health care shall furnish the copy of the records requested pursuant to this subsection within 30 days after the date of receipt of the request, and the provider of health care shall not deny the furnishing of a copy of the records pursuant to this subsection solely because the patient is unable to pay the fees established in this subsection.

- 4. Each person who owns or operates an ambulance in this State shall make the records regarding a sick or injured patient available for physical inspection by:
- (a) The patient or a representative with written authorization from the patient;
  - (b) The personal representative of the estate of a deceased patient;
  - (c) Any trustee of a living trust created by a deceased patient;
- (d) The parent or guardian of a deceased patient who died before reaching the age of majority; or
- (e) Any authorized representative or investigator of a state licensing board during the course of any investigation authorized by law.
- The records must be made available at a place within the depository convenient for physical inspection, and inspection must be permitted at all reasonable office hours and for a reasonable length of time. The person who owns or operates an ambulance shall also furnish a copy of the records to each person described in this subsection who requests it and pays the actual cost of postage, if any, and the costs of making the copy, not to exceed 60 cents per page for photocopies. No administrative fee or additional service fee of any kind may be charged for furnishing a copy of the records.
- 5. Records made available to a representative or investigator must not be used at any public hearing unless:
- (a) The patient named in the records has consented in writing to their use; or
- (b) Appropriate procedures are utilized to protect the identity of the patient from public disclosure.
  - 6. Subsection 5 does not prohibit:
- (a) A state licensing board from providing to a provider of health care or owner or operator of an ambulance against whom a complaint or written allegation has been filed, or to his or her attorney, information on the identity of a patient whose records may be used in a public hearing relating to the complaint or allegation, but the provider of health care or owner or operator of an ambulance and the attorney shall keep the information confidential.

- (b) The Attorney General from using health care records in the course of a civil or criminal action against the patient or provider of health care.
- 7. A provider of health care or owner or operator of an ambulance and his or her agents and employees are immune from any civil action for any disclosures made in accordance with the provisions of this section or any consequential damages.
- 8. A provider of health care described in subsection 1 of NRS 629.031 who has transferred custody of a health care record to a facility that maintains the health care records of patients is not required to perform any other action to comply with the requirements of this section unless the person is notified by the facility that additional information is required by the facility to comply with the requirements of this section.
  - 9. For the purposes of this section:
- (a) "Guardian" means a person who has qualified as the guardian of a minor pursuant to testamentary or judicial appointment, but does not include a guardian ad litem.
  - (b) "Living trust" means an inter vivos trust created by a natural person:
- $\left(1\right)$  Which was revocable by the person during the lifetime of the person; and
- (2) Who was one of the beneficiaries of the trust during the lifetime of the person.
- (c) "Parent" means a natural or adoptive parent whose parental rights have not been terminated.
- (d) "Personal representative" has the meaning ascribed to it in NRS 132.265.
  - Sec. 13.5. NRS 686A.110 is hereby amended to read as follows:
- 686A.110 Except as otherwise expressly provided by law, <u>including</u>. <u>without limitation, section 11 of this act</u>, no person shall knowingly:
- 1. Permit to be made or offer to make or make any contract of life insurance, life annuity or health insurance, or agreement as to such contract, other than as plainly expressed in the contract issued thereon, or pay or allow, or give or offer to pay, allow or give, directly or indirectly, or knowingly accept, as an inducement to such insurance or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends or other benefits thereon, or any paid employment or contract for services of any kind, or any valuable consideration or inducement whatever not specified in the contract; or
- 2. Directly or indirectly give or sell or purchase or offer or agree to give, sell, purchase, or allow as an inducement to such insurance or annuity or in connection therewith, whether or not to be specified in the policy or contract, any agreement of any form or nature promising returns and profits, or any stocks, bonds or other securities, or interest present or contingent therein or as measured thereby, of any insurer or other corporation, association or partnership, or any dividends or profits accrued or to accrue thereon.
  - Sec. 14. NRS 630.405 is hereby repealed.

- Sec. 15. 1. This section becomes effective upon passage and approval.
- 2. Sections 13 and 14 of this act become effective on October 1, 2013.
- 3. Sections 1 to 12, inclusive, and 13.5 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - (b) On January 1, 2014, for all other purposes.
- 4. Sections 1 to 12, inclusive, <u>and 13.5</u> of this act expire by limitation on June 30, 2019.

### TEXT OF REPEALED SECTION

630.405 Penalty for failure to make records concerning health care available for inspection or copying. A physician licensed pursuant to this chapter who willfully fails or refuses to make the health care records of a patient available for physical inspection or copying as provided in NRS 629.061 is guilty of a misdemeanor.

Senator Kieckhefer moved the adoption of the amendment.

Remarks by Senator Kieckhefer.

Amendment No. 358 to Senate Bill No. 340 creates the Office for Patient-Centered Medical Homes within the Health Division of the Department of Health and Human Services. It directs the Health Division to certify patient-centered homes, register insurers and develop related regulations including the imposition of a fee for certification or registration. Finally, within the limits of available funding, the Health Division is required to establish the Advisory Council on Patient-Centered Medical Homes to advise and make recommendations concerning the Office for Patient-Centered Homes.

Amendment adopted.

Senator Kieckhefer moved that Senate Bill No. 340 be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 356.

Bill read second time and ordered to third reading.

Senate Bill No. 373.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 184.

"SUMMARY—Makes various changes relating to judgments. (BDR 2-932)"

"AN ACT relating to judgments; authorizing a court to issue an order permitting a judgment debtor to pay a judgment in installments under certain circumstances; increasing the percentage of a judgment debtor's disposable earnings which is exempt from execution [:] under certain circumstances; authorizing a judgment debtor who is a resident of this State to bring a civil action in certain circumstances against a judgment creditor who obtains a writ of garnishment without domesticating a foreign judgment; revising

provisions relating to the exemption of annuity benefits from certain claims of the annuitant's creditors; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill authorizes a court to allow a person who has had a judgment for the payment of money entered against him or her to pay the judgment in installments from income or property that is not exempt from execution if the court determines that the defendant is unable to pay the judgment.

Existing law provides that 75 percent of a judgment debtor's disposable earnings for any workweek are exempt from execution. (NRS 21.025, 21.075, 21.090, 31.045, 31.295) Sections 2-4 and 6-9 of this bill increase the exemption to 90 percent of a judgment debtor's disposable earnings for any workweek [-] if the gross annual salary or wage of the debtor is \$70.000 or less.

Existing law requires a judgment creditor who seeks to enforce a foreign judgment in this State to domesticate the foreign judgment by filing a copy of the foreign judgment with the clerk of any district court of this State. (NRS 17.330-17.400) Section 5 of this bill authorizes a judgment debtor who is a resident of this State to bring a civil action against a judgment creditor who, without domesticating a foreign judgment, garnishes a bank account or any other personal property maintained by the judgment debtor at a branch of a financial institution located in this State or the earnings of the judgment debtor from employment in this State.

Existing law exempts annuity benefits from certain claims of the annuitant's creditors under certain circumstances. (NRS 687B.290)

Section 10 of this bill subjects certain amounts of annuity benefits to execution by certain creditors of the annuitant.

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

Section 1. Chapter 21 of NRS is hereby amended by adding thereto a new provision to read as follows:

- 1. A judge of any court having jurisdiction at the time of the entry of a judgment, upon proper showing made by the defendant with both parties or their attorneys present in court, may make a written order permitting the judgment debtor to pay the judgment in installments from that portion of the judgment debtor's income or property which is not exempt from execution, at such times and in such amounts as, in the opinion of the judge, the judgment fereditors debtor is able to pay.
- 2. Upon compliance by the judgment <u>fereditor</u> <u>debtor</u> with the provisions of this section and the court rules, a judge of any court may issue an order permitting a judgment <u>fereditor</u> <u>debtor</u> to pay in installments from that portion of the judgment debtor's income or property which is not exempt from execution, at such times and in such amounts as, in the opinion of the judge, the judgment <u>fereditor</u> <u>debtor</u> is able to pay, any judgment previously

entered by his or her court or filed in his or her court pursuant to NRS 17.350.

- 3. At any time after the entry of a judgment by a court or the filing of a judgment in a court pursuant to NRS 17.350, a judgment debtor may file a petition with the clerk of the court in which the judgment was entered or filed requesting the clerk to issue a notice, directed to the judgment creditor. The petition must include an affidavit of the judgment fereditor debtor setting forth the judgment debtor's inability to pay the judgment from that portion of the judgment debtor's income or property which is not exempt from execution.
- 4. A notice issued pursuant to subsection 3 must notify the judgment creditor of the day and time of a hearing to allow the judgment debtor to pay the judgment in installments. The notice must be served on the judgment creditor not later than 4 days before the date set for the hearing on the petition, by placing the notice in the United States mail in an envelope properly stamped and addressed to the judgment creditor or the agent or attorney of the judgment creditor.
- 5. Except as otherwise provided by court order, a writ of execution or a writ of garnishment may not be issued on the judgment after the filing of a petition pursuant to subsection 3.
  - Sec. 2. NRS 21.025 is hereby amended to read as follows:
- 21.025 A writ of execution issued on a judgment for the recovery of money must be substantially in the following form:

(Title of the Court)

\$ ..... accrued interest, and

(Number and abbreviated title of the case)
EXECUTION
THE PEOPLE OF THE STATE OF NEVADA:
To the sheriff of County.
Greetings:
To FINANCIAL INSTITUTIONS: This judgment is for the
recovery of money for the support of a person.
On(month)(day)(year), a judgment was entered by the
above-entitled court in the above-entitled action in favor of
as judgment creditor and against as
judgment debtor for:
\$ principal,
\$ attorney's fees,
\$ interest, and
\$ costs, making a total amount of
\$ the judgment as entered, and
WHEREAS, according to an affidavit or a memorandum of costs
after judgment, or both, filed herein, it appears that further sums have
accrued since the entry of judgment, to wit:

\$ accrued costs, together with \$ fee, for the issuance of this writ, making a total of \$ as accrued costs, accrued interest and fees. Credit must be given for payments and partial satisfactions in the amount of \$
which is to be first credited against the total accrued costs and accrued interest, with any excess credited against the judgment as entered, leaving a net balance of \$
actually due on the date of the issuance of this writ, of which \$
bears interest at percent per annum, in the amount of \$ per day, from the date of judgment to the date of levy, to which must be added the commissions and costs of the officer executing this writ.  NOW, THEREFORE, SHERIFF OF
Dated: This day of the month of of the year
By, Deputy Clerk.
c. 3. NRS 21.075 is hereby amended to read as follows: 075 1. Execution on the writ of execution by levying on the

Sec

21. property of the judgment debtor may occur only if the sheriff serves the judgment debtor with a notice of the writ of execution pursuant to NRS 21.076 and a copy of the writ. The notice must describe the types of property exempt from execution and explain the procedure for claiming those exemptions in the manner required in subsection 2. The clerk of the court shall attach the notice to the writ of execution at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

## NOTICE OF EXECUTION YOUR PROPERTY IS BEING ATTACHED OR YOUR WAGES ARE BEING GARNISHED

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

- 1. Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.
- 2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.
- 3. Payments for public assistance granted through the Division of Welfare and Supportive Services of the Department of Health and Human Services or a local governmental entity.
  - 4. Proceeds from a policy of life insurance.
  - 5. Payments of benefits under a program of industrial insurance.
- 6. Payments received as disability, illness or unemployment benefits.
  - 7. Payments received as unemployment compensation.
  - 8. Veteran's benefits.
- 9. A homestead in a dwelling or a mobile home, not to exceed \$550,000, unless:
- (a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.
- (b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.
- 10. All money reasonably deposited with a landlord by you to secure an agreement to rent or lease a dwelling that is used by you as your primary residence, except that such money is not exempt with respect to a landlord or landlord's successor in interest who seeks to enforce the terms of the agreement to rent or lease the dwelling.
  - 11. A vehicle, if your equity in the vehicle is less than \$15,000.
- 12. [Seventy five] *Ninety* percent of the take-home pay for any workweek [;] if your gross annual salary or wage is \$70,000 or less, or seventy-five percent of the take-home pay for any workweek if your

gross annual salary or wage exceeds \$70,000, unless the weekly takehome pay is less than 50 times the federal minimum hourly wage, in which case the entire amount may be exempt.

- 13. Money, not to exceed \$500,000 in present value, held in:
- (a) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;
- (b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;
- (c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;
- (d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and
- (e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.
- 14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.
- 15. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.
- 16. Regardless of whether a trust contains a spendthrift provision:
- (a) A present or future interest in the income or principal of a trust that is a contingent interest, if the contingency has not been satisfied or removed;
- (b) A present or future interest in the income or principal of a trust for which discretionary power is held by a trustee to determine whether to make a distribution from the trust, if the interest has not been distributed from the trust;
- (c) The power to direct dispositions of property in the trust, other than such a power held by a trustee to distribute property to a beneficiary of the trust;
- (d) Certain powers held by a trust protector or certain other persons; and
  - (e) Any power held by the person who created the trust.

- 17. If a trust contains a spendthrift provision:
- (a) A present or future interest in the income or principal of a trust that is a mandatory interest in which the trustee does not have discretion concerning whether to make the distribution from the trust, if the interest has not been distributed from the trust; and
- (b) A present or future interest in the income or principal of a trust that is a support interest in which the standard for distribution may be interpreted by the trustee or a court, if the interest has not been distributed from the trust.
- 18. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.
- 19. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.
- 20. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.
- 21. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
- 22. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
  - 23. Payments received as restitution for a criminal act.
- 24. Personal property, not to exceed \$1,000 in total value, if the property is not otherwise exempt from execution.
- 25. A tax refund received from the earned income credit provided by federal law or a similar state law.
- 26. Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in that section.

who qualify, you may obtain the form to be used to claim an exemption from the clerk of the court.

## PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt, you must complete and file with the clerk of the court an executed claim of exemption. A copy of the claim of exemption must be served upon the sheriff, the garnishee and the judgment creditor within 10 days after the notice of execution or garnishment is served on you by mail pursuant to NRS 21.076 which identifies the specific property that is being levied on. The property must be released by the garnishee or the sheriff within 9 judicial days after you serve the claim of exemption upon the sheriff, garnishee and judgment creditor, unless the sheriff or garnishee receives a copy of an objection to the claim of exemption and a notice for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The objection to the claim of exemption and notice for the hearing to determine the issue of exemption must be filed within 8 judicial days after the claim of exemption is served on the judgment creditor by mail or in person and served on the judgment debtor, the sheriff and any garnishee not less than 5 judicial days before the date set for the hearing. The hearing to determine whether the property or money is exempt must be held within 7 judicial days after the objection to the claim of exemption and notice for the hearing is filed. You may be able to have your property released more quickly if you mail to the judgment creditor or the attorney of the judgment creditor written proof that the property is exempt. Such proof may include, without limitation, a letter from the government, an annual statement from a pension fund, receipts for payment, copies of checks, records from financial institutions or any other document which demonstrates that the money in your account is exempt.

IF YOU DO NOT FILE THE EXECUTED CLAIM OF EXEMPTION WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.

- Sec. 4. NRS 21.090 is hereby amended to read as follows:
- 21.090 1. The following property is exempt from execution, except as otherwise specifically provided in this section or required by federal law:
- (a) Private libraries, works of art, musical instruments and jewelry not to exceed \$5,000 in value, belonging to the judgment debtor or a dependent of the judgment debtor, to be selected by the judgment debtor, and all family pictures and keepsakes.
- (b) Necessary household goods, furnishings, electronics, wearing apparel, other personal effects and yard equipment, not to exceed \$12,000 in value,

belonging to the judgment debtor or a dependent of the judgment debtor, to be selected by the judgment debtor.

- (c) Farm trucks, farm stock, farm tools, farm equipment, supplies and seed not to exceed \$4,500 in value, belonging to the judgment debtor to be selected by the judgment debtor.
- (d) Professional libraries, equipment, supplies, and the tools, inventory, instruments and materials used to carry on the trade or business of the judgment debtor for the support of the judgment debtor and his or her family not to exceed \$10,000 in value.
- (e) The cabin or dwelling of a miner or prospector, the miner's or prospector's cars, implements and appliances necessary for carrying on any mining operations and the mining claim actually worked by the miner or prospector, not exceeding \$4,500 in total value.
- (f) Except as otherwise provided in paragraph (p), one vehicle if the judgment debtor's equity does not exceed \$15,000 or the creditor is paid an amount equal to any excess above that equity.
- (g) For any workweek, 90 percent of the disposable earnings of a judgment debtor during that week if the gross annual salary or wage of the judgment debtor is \$70,000 or less, 75 [90] percent of the disposable earnings of a judgment debtor during that week [1] if the gross annual salary or wage of the judgment debtor exceeds \$70,000, or 50 times the minimum hourly wage prescribed by section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), and in effect at the time the earnings are payable, whichever is greater. Except as otherwise provided in paragraphs (o), (s) and (t), the exemption provided in this paragraph does not apply in the case of any order of a court of competent jurisdiction for the support of any person, any order of a court of bankruptcy or of any debt due for any state or federal tax. As used in this paragraph:
- (1) "Disposable earnings" means that part of the earnings of a judgment debtor remaining after the deduction from those earnings of any amounts required by law to be withheld.
- (2) "Earnings" means compensation paid or payable for personal services performed by a judgment debtor in the regular course of business, including, without limitation, compensation designated as income, wages, tips, a salary, a commission or a bonus. The term includes compensation received by a judgment debtor that is in the possession of the judgment debtor, compensation held in accounts maintained in a bank or any other financial institution or, in the case of a receivable, compensation that is due the judgment debtor.
- (h) All fire engines, hooks and ladders, with the carts, trucks and carriages, hose, buckets, implements and apparatus thereunto appertaining, and all furniture and uniforms of any fire company or department organized under the laws of this State.
- (i) All arms, uniforms and accouterments required by law to be kept by any person, and also one gun, to be selected by the debtor.

- (j) All courthouses, jails, public offices and buildings, lots, grounds and personal property, the fixtures, furniture, books, papers and appurtenances belonging and pertaining to the courthouse, jail and public offices belonging to any county of this State, all cemeteries, public squares, parks and places, public buildings, town halls, markets, buildings for the use of fire departments and military organizations, and the lots and grounds thereto belonging and appertaining, owned or held by any town or incorporated city, or dedicated by the town or city to health, ornament or public use, or for the use of any fire or military company organized under the laws of this State and all lots, buildings and other school property owned by a school district and devoted to public school purposes.
- (k) All money, benefits, privileges or immunities accruing or in any manner growing out of any life insurance.
- (l) The homestead as provided for by law, including a homestead for which allodial title has been established and not relinquished and for which a waiver executed pursuant to NRS 115.010 is not applicable.
- (m) The dwelling of the judgment debtor occupied as a home for himself or herself and family, where the amount of equity held by the judgment debtor in the home does not exceed \$550,000 in value and the dwelling is situated upon lands not owned by the judgment debtor.
- (n) All money reasonably deposited with a landlord by the judgment debtor to secure an agreement to rent or lease a dwelling that is used by the judgment debtor as his or her primary residence, except that such money is not exempt with respect to a landlord or the landlord's successor in interest who seeks to enforce the terms of the agreement to rent or lease the dwelling.
- (o) All property in this State of the judgment debtor where the judgment is in favor of any state for failure to pay that state's income tax on benefits received from a pension or other retirement plan.
- (p) Any vehicle owned by the judgment debtor for use by the judgment debtor or the judgment debtor's dependent that is equipped or modified to provide mobility for a person with a permanent disability.
- (q) Any prosthesis or equipment prescribed by a physician or dentist for the judgment debtor or a dependent of the debtor.
  - (r) Money, not to exceed \$500,000 in present value, held in:
- (1) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;
- (2) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;
- (3) A cash or deferred arrangement which is a qualified plan pursuant to the Internal Revenue Code;
- (4) A trust forming part of a stock bonus, pension or profit-sharing plan which is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

- (5) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.
- (s) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.
- (t) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.
- (u) Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.
- (v) Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
- (w) Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
  - (x) Payments received as restitution for a criminal act.
- (y) Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.
- (z) Any personal property not otherwise exempt from execution pursuant to this subsection belonging to the judgment debtor, including, without limitation, the judgment debtor's equity in any property, money, stocks, bonds or other funds on deposit with a financial institution, not to exceed \$1,000 in total value, to be selected by the judgment debtor.
- (aa) Any tax refund received by the judgment debtor that is derived from the earned income credit described in section 32 of the Internal Revenue Code, 26 U.S.C. § 32, or a similar credit provided pursuant to a state law.
- (bb) Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in that section.
  - (cc) Regardless of whether a trust contains a spendthrift provision:
- (1) A distribution interest in the trust as defined in NRS 163.4155 that is a contingent interest, if the contingency has not been satisfied or removed;

- (2) A distribution interest in the trust as defined in NRS 163.4155 that is a discretionary interest as described in NRS 163.4185, if the interest has not been distributed;
- (3) A power of appointment in the trust as defined in NRS 163.4157 regardless of whether the power has been exercised;
- (4) A power listed in NRS 163.5553 that is held by a trust protector as defined in NRS 163.5547 or any other person regardless of whether the power has been exercised; and
- (5) A reserved power in the trust as defined in NRS 163.4165 regardless of whether the power has been exercised.
  - (dd) If a trust contains a spendthrift provision:
- (1) A distribution interest in the trust as defined in NRS 163.4155 that is a mandatory interest as described in NRS 163.4185, if the interest has not been distributed; and
- (2) Notwithstanding a beneficiary's right to enforce a support interest, a distribution interest in the trust as defined in NRS 163.4155 that is a support interest as described in NRS 163.4185, if the interest has not been distributed.
  - (ee) Proceeds received from a private disability insurance plan.
- (ff) Money in a trust fund for funeral or burial services pursuant to NRS 689.700.
- (gg) Compensation that was payable or paid pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS as provided in NRS 616C.205.
- (hh) Unemployment compensation benefits received pursuant to NRS 612.710.
- (ii) Benefits or refunds payable or paid from the Public Employees' Retirement System pursuant to NRS 286.670.
- (jj) Money paid or rights existing for vocational rehabilitation pursuant to NRS 615.270.
- (kk) Public assistance provided through the Department of Health and Human Services pursuant to NRS 422.291.
  - (ll) Child welfare assistance provided pursuant to NRS 432.036.
- 2. Except as otherwise provided in NRS 115.010, no article or species of property mentioned in this section is exempt from execution issued upon a judgment to recover for its price, or upon a judgment of foreclosure of a mortgage or other lien thereon.
- 3. Any exemptions specified in subsection (d) of section 522 of the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to property owned by a resident of this State unless conferred also by subsection 1, as limited by subsection 2.
- Sec. 5. Chapter 31 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Any judgment debtor who is a resident of this State and who maintains an account or any other property at a branch of a financial institution located in this State or whose earnings are derived from employment in this

State may bring a civil action against a judgment creditor under a foreign judgment, if the judgment creditor, without satisfying the requirements of NRS 17.330 to 17.400, inclusive, has obtained a writ of garnishment to satisfy all or part of the foreign judgment from:

- (a) The earnings of the judgment debtor derived from employment in this State; or
- (b) Money in the account or any other property maintained by the judgment debtor at a branch of a financial institution located in this State.
- 2. A judgment debtor who prevails in an action brought under this section may recover from the judgment creditor damages equal to two times any amount paid to the judgment creditor under the writ of garnishment. If the judgment debtor prevails in an action brought under this section, the court must award reasonable attorney's fees and costs to the plaintiff.
- 3. As used in this section, "foreign judgment" has the meaning ascribed to it in NRS 17.340.
  - Sec. 6. NRS 31.045 is hereby amended to read as follows:
- 31.045 1. Execution on the writ of attachment by attaching property of the defendant may occur only if:
- (a) The judgment creditor serves the defendant with notice of the execution when the notice of the hearing is served pursuant to NRS 31.013; or
- (b) Pursuant to an ex parte hearing, the sheriff serves upon the judgment debtor notice of the execution and a copy of the writ at the same time and in the same manner as set forth in NRS 21.076.
- → If the attachment occurs pursuant to an ex parte hearing, the clerk of the court shall attach the notice to the writ of attachment at the time the writ is issued.
- 2. The notice required pursuant to subsection 1 must be substantially in the following form:

# NOTICE OF EXECUTION YOUR PROPERTY IS BEING ATTACHED OR YOUR WAGES ARE BEING GARNISHED

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.

- 2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.
- 3. Payments for public assistance granted through the Division of Welfare and Supportive Services of the Department of Health and Human Services or a local governmental entity.
  - 4. Proceeds from a policy of life insurance.
  - 5. Payments of benefits under a program of industrial insurance.
- 6. Payments received as disability, illness or unemployment benefits.
  - 7. Payments received as unemployment compensation.
  - 8. Veteran's benefits.
- 9. A homestead in a dwelling or a mobile home, not to exceed \$550,000, unless:
- (a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.
- (b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.
- 10. All money reasonably deposited with a landlord by you to secure an agreement to rent or lease a dwelling that is used by you as your primary residence, except that such money is not exempt with respect to a landlord or the landlord's successor in interest who seeks to enforce the terms of the agreement to rent or lease the dwelling.
  - 11. A vehicle, if your equity in the vehicle is less than \$15,000.
- 12. [Seventy five] Ninety percent of the take-home pay for any workweek [13] if your gross annual salary or wage is \$70,000 or less, or seventy-five percent of the take-home pay for any workweek if your gross annual salary or wage exceeds \$70,000, unless the weekly take-home pay is less than 50 times the federal minimum hourly wage, in which case the entire amount may be exempt.
  - 13. Money, not to exceed \$500,000 in present value, held in:
- (a) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C.  $\S\S$  408 and 408A;
- (b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;
- (c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;
- (d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

- (e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.
- 14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.
- 15. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.
  - 16. Regardless of whether a trust contains a spendthrift provision:
- (a) A present or future interest in the income or principal of a trust that is a contingent interest, if the interest has not been satisfied or removed;
- (b) A present or future interest in the income or principal of a trust for which discretionary power is held by a trustee to determine whether to make a distribution from the trust, if the interest has not been distributed from the trust;
- (c) The power to direct dispositions of property in the trust, other than such a power held by a trustee to distribute property to a beneficiary of the trust;
- (d) Certain powers held by a trust protector or certain other persons; and
  - (e) Any power held by the person who created the trust.
  - 17. If a trust contains a spendthrift provision:
- (a) A present or future interest in the income or principal of a trust that is a mandatory interest in which the trustee does not have discretion concerning whether to make the distribution from the trust, if the interest has not been distributed from the trust; and
- (b) A present or future interest in the income or principal of a trust that is a support interest in which the standard for distribution may be interpreted by the trustee or a court, if the interest has not been distributed from the trust.
- 18. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.
- 19. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.
- 20. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain

and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

- 21. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
- 22. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
  - 23. Payments received as restitution for a criminal act.
- 24. Personal property, not to exceed \$1,000 in total value, if the property is not otherwise exempt from execution.
- 25. A tax refund received from the earned income credit provided by federal law or a similar state law.
- 26. Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in that section.
- These exemptions may not apply in certain cases such as proceedings to enforce a judgment for support of a child or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through ............................... (name of organization in county providing legal services to the indigent or elderly persons). If you do not wish to consult an attorney or receive legal services from an organization that provides assistance to persons who qualify, you may obtain the form to be used to claim an exemption from the clerk of the court.

#### PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt or necessary for the support of you or your family, you must file with the clerk of the court on a form provided by the clerk an executed claim of exemption. A copy of the claim of exemption must be served upon the sheriff, the garnishee and the judgment creditor within 10 days after the notice of execution or garnishment is served on you by mail pursuant to NRS 21.076 which identifies the specific property that is being levied on. The property must be released by the garnishee or the sheriff within 9 judicial days after you serve the claim of exemption upon the sheriff, garnishee and judgment creditor, unless the sheriff or garnishee receives a copy of an objection to the claim of exemption and a notice for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The objection to the claim of exemption and notice for the hearing to determine the issue of exemption must be filed within 8 judicial days

after the claim of exemption is served on the judgment creditor by mail or in person and served on the judgment debtor, the sheriff and any garnishee not less than 5 judicial days before the date set for the hearing. The hearing must be held within 7 judicial days after the objection to the claim of exemption and notice for a hearing is filed. You may be able to have your property released more quickly if you mail to the judgment creditor or the attorney of the judgment creditor written proof that the property is exempt. Such proof may include, without limitation, a letter from the government, an annual statement from a pension fund, receipts for payment, copies of checks, records from financial institutions or any other document which demonstrates that the money in your account is exempt.

IF YOU DO NOT FILE THE EXECUTED CLAIM OF EXEMPTION WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.

If you received this notice with a notice of a hearing for attachment and you believe that the money or property which would be taken from you by a writ of attachment is exempt or necessary for the support of you or your family, you are entitled to describe to the court at the hearing why you believe your property is exempt. You may also file a motion with the court for a discharge of the writ of attachment. You may make that motion any time before trial. A hearing will be held on that motion.

IF YOU DO NOT FILE THE MOTION BEFORE THE TRIAL, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE PROPERTY OR MONEY IS EXEMPT OR NECESSARY FOR THE SUPPORT OF YOU OR YOUR FAMILY.

Sec. 7. NRS 31.060 is hereby amended to read as follows:

- 31.060 Subject to the requirements of NRS 31.045, the sheriff to whom the writ is directed and delivered shall execute it without delay, and if the undertaking mentioned in NRS 31.040 is not given, as follows:
- 1. Real property must be attached by leaving a copy of the writ with the occupant of the property or, if there is no occupant, by posting a copy in a conspicuous place on the property and recording the writ, together with a description of the property attached, with the recorder of the county.
  - 2. Personal property must be attached:
- (a) By taking it into immediate custody, and, if directed by the plaintiff, using the services of any company which operates a tow car, as defined in NRS 706.131, or common motor carrier, as defined in NRS 706.036, to transport it for storage in a warehouse or storage yard that is insured or bonded in an amount not less than the full value of the property; or
- (b) By placing a keeper in charge of a going business where the property is located, with the plaintiff prepaying the expense of the keeper to the

sheriff, during which period, the defendant, by order of the court or the consent of the plaintiff, may continue to operate in the ordinary course of business at the defendant's own expense if all sales are for cash and the full proceeds are paid to the keeper for the purpose of the attachment.

- → If the property is stored pursuant to paragraph (a), the property must be segregated from other property and marked by signs or other appropriate means indicating that it is in the custody of the sheriff.
  - 3. Any mobile home, as defined in NRS 40.215, must be attached by:
  - (a) Posting a copy of the writ in a conspicuous place on the mobile home;
- (b) Taking it into immediate custody, subject to the provisions of subsection 2; or
- (c) Placing a keeper in charge of the mobile home for 2 days, with the plaintiff prepaying the expense of the keeper to the sheriff:
- (1) During which period, the defendant may continue to occupy the mobile home; and
- (2) After which period, the sheriff shall take the mobile home into the sheriff's immediate custody, subject to the provisions of subsection 2, unless other disposition is made by the court or the parties to the action.
- 4. Debts and credits, due or to become due, and other personal property in the possession or under the control of persons other than the defendant must be attached by service of a writ of garnishment as provided in NRS 31.240 to 31.460, inclusive [.], and section 5 of this act.
  - Sec. 8. NRS 31.290 is hereby amended to read as follows:
- 31.290 1. The interrogatories to be submitted with any writ of execution, attachment or garnishment to the garnishee may be in substance as follows:

## INTERROGATORIES

Are you in any manner indebted to the defendants
or either of them, either in property or money, and is the debt now due? If not due, when is the debt to become due? State fully al particulars.  Answer:
Are you an employer of one or all of the defendants? If so state the length of your pay period and the amount of disposable earnings, as defined in NRS 31.295, that each defendant presently earns during a pay period. State the minimum amount of disposable earnings that is exempt from this garnishment, which is the federal minimum hourly wage prescribed by section 6(a)(1) of the federal Fair

Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), in effect at the time the earnings are payable multiplied by 50 for each week of the pay period, after deducting any amount required by law to be

withheld.

(Check one of the following) The employee is paid:
[A]Weekly:[B]Biweekly:[C]Semimonthly:[D]Monthly:
(1) Gross Earnings \$
(2) Deductions required by law (not including child support)
(3) Disposable Earnings [Subtract line 2 from line 1]
\$
(4) Federal Minimum Wage \$
(5) Multiply line 4 by 50 \$
(6) Complete the following directions in accordance with the
letter selected above:
[A] Multiply line 5 by 1 \$
[B] Multiply line 5 by 2 \$
[C] Multiply line 5 by 52 and then divide by 24 \$
[D] Multiply line 5 by 52 and then divide by 12 \$
(7) Subtract line 6 from line 3 \$
This is the attachable earnings. This amount must not exceed
10 percent of the disposable earnings from line 3 if the employee's
gross annual salary or wage is \$70,000 or less or [25%] [10%]
25 percent of the disposable earnings from line 3 if the employee's
gross annual salary or wage exceeds \$70,000 of the disposable
earnings from line 3.
Answer:
Did you have in your possession, in your charge or under your
Did you have in your possession, in your charge or under your
Did you have in your possession, in your charge or under your control, on the date the writ of garnishment was served upon you, any
Did you have in your possession, in your charge or under your control, on the date the writ of garnishment was served upon you, any money, property, effects, goods, chattels, rights, credits or choses in
Did you have in your possession, in your charge or under your control, on the date the writ of garnishment was served upon you, any money, property, effects, goods, chattels, rights, credits or choses in action of the defendants, or either of them, or in which
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institution reasonably identifies that an electronic deposit of money has been made into the account within the immediately preceding 45 days which is exempt from execution, including, without limitation, payments of money described in NRS 21.105 or, if no such deposit has been made, \$400 or the entire amount in the account, whichever is less, is not subject to garnishment, unless the garnishment is for the recovery of money owed for the support of any person. The amount which is not subject to garnishment does not apply to each account of the judgment debtor, but rather is an aggregate amount that is not subject to garnishment.

Answer:
State your correct name and address, or the name and address of your attorney upon whom written notice of further proceedings in this action may be served.  Answer:
Garnishee
I (insert the name of the garnishee), declare under penalty of
perjury that the answers to the foregoing interrogatories by me subscribed are true and correct.
(Signature of garnishee)

- 2. The garnishee shall answer the interrogatories in writing upon oath or affirmation and submit the answers to the sheriff within the time required by the writ. The garnishee shall submit his or her answers to the judgment debtor within the same time. If the garnishee fails to do so, the garnishee shall be deemed in default.
  - Sec. 9. NRS 31.295 is hereby amended to read as follows:
  - 31.295 1. As used in this section:
- (a) "Disposable earnings" means that part of the earnings of any person remaining after the deduction from those earnings of any amounts required by law to be withheld.
- (b) "Earnings" means compensation paid or payable for personal services performed by a judgment debtor in the regular course of business, including, without limitation, compensation designated as income, wages, tips, a salary, a commission or a bonus. The term includes compensation received by a judgment debtor that is in the possession of the judgment debtor, compensation held in accounts maintained in a bank or any other financial institution or, in the case of a receivable, compensation that is due the judgment debtor.
- 2. The maximum amount of the aggregate disposable earnings of a person which are subject to garnishment may not exceed:

- (a) <u>Ten percent of the person's disposable earnings for the relevant</u> workweek if the person's gross annual salary or wage is \$70,000 or less;
- (b) Twenty-five [Ten] percent of the person's disposable earnings for the relevant workweek [; er
  - (b) if the person's gross annual salary or wage exceeds \$70,000; or
- (c) The amount by which the person's disposable earnings for that week exceed 50 times the federal minimum hourly wage prescribed by section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), in effect at the time the earnings are payable,
- → whichever is less.
  - 3. The restrictions of subsection 2 do not apply in the case of:
  - (a) Any order of any court for the support of any person.
  - (b) Any order of any court of bankruptcy.
  - (c) Any debt due for any state or federal tax.
- 4. Except as otherwise provided in this subsection, the maximum amount of the aggregate disposable earnings of a person for any workweek which are subject to garnishment to enforce any order for the support of any person may not exceed:
- (a) Fifty percent of the person's disposable earnings for that week if the person is supporting a spouse or child other than the spouse or child for whom the order of support was rendered; or
- (b) Sixty percent of the person's disposable earnings for that week if the person is not supporting such a spouse or child,
- respect that if the garnishment is to enforce a previous order of support with respect to a period occurring at least 12 weeks before the beginning of the workweek, the limits which apply to the situations described in paragraphs (a) and (b) are 55 percent and 65 percent, respectively.
  - Sec. 10. NRS 687B.290 is hereby amended to read as follows:
- 687B.290 1. The benefits, rights, privileges and options which under any annuity contract issued prior to or after January 1, 1972, are due or prospectively due the annuitant shall not be subject to execution nor shall the annuitant be compelled to exercise any such rights, powers or options, nor shall creditors be allowed to interfere with or terminate the contract, except as to *amounts listed as an asset on an application for a loan or pledged as payment for a loan or* amounts paid for or as premium on any such annuity with intent to defraud creditors, with interest thereon, and of which the creditor has given the insurer written notice at its home office *within 1 year after the annuitant makes a payment to the insurer or* prior to the making of the payment to the annuitant out of which the creditor seeks to recover. Any such notice shall specify the amount claimed or such facts as will enable the insurer to ascertain such amount, and shall set forth such facts as will enable the insurer to ascertain the annuity contract, the annuitant and the payment sought to be avoided on the ground of fraud.
- 2. If the contract so provides, the benefits, rights, privileges or options accruing under such contract to a beneficiary or assignee shall not be

transferable or subject to commutation, and the same exemptions and exceptions contained in this section for the annuitant shall apply with respect to such beneficiary or assignee.

Senator Kihuen moved the adoption of the amendment.

Remarks by Senator Kihuen.

Thank you, Mr. President pro Tempore. Amendment No. 184 to Senate Bill No. 373 provides that 90 percent of the disposable earnings of a debtor during a week are exempt from garnishment if the gross annual salary or wage of the debtor is \$70,000 or less. It also provides that 75 percent of the disposable earnings of a debtor during a week are exempt from garnishment if the gross annual salary or wage of the debtor exceeds \$70,000.

Finally, the amendment provides that if an annuity is listed on a loan application as an asset, the creditor may seek to recover payment from the annuity.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 420.

Bill read second time and ordered to third reading.

Senate Bill No. 436.

Bill read second time.

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

Amendment No 199

"SUMMARY—Creates the Nevada State Parks and Cultural Resources Endowment Fund. (BDR 19-1154)"

"AN ACT relating to resources; creating the Nevada State Parks and Cultural Resources Endowment Fund; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill creates the Nevada State Parks and Cultural Resources Endowment Fund, [money] the income from which is only to be used for the purposes of enhancing state parks and preserving the cultural resources of this State.

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

Section 1. Chapter 235 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Nevada State Parks and Cultural Resources Endowment Fund is hereby created as a trust fund in the State Treasury.
- 2. The State Treasurer shall deposit in the Fund any money the State Treasurer receives from any person who wishes to contribute to the Fund.
  - 3. The Fund must be administered by a committee consisting of:
- (a) The Administrator of the Division of State Parks of the State Department of Conservation and Natural Resources:
- (b) The Administrator of the Office of Historic Preservation of the State Department of Conservation and Natural Resources; and

- (c) Three members appointed by the Governor.
- 4. The Fund must only be used for the purposes of the enhancement of state parks and the preservation of the cultural resources of this State. Any interest earned on money in the Fund must be credited to the Fund. The money which represents the principal of the Fund must not be spent, and only the interest earned on the principal may be used to carry out the provisions of this section.
- 5. As used in this section, "cultural resources" has the meaning ascribed to it in subsection 3 of NRS 383.011.
  - Sec. 2. This act becomes effective upon passage and approval.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 199 to Senate Bill No. 436 requires that the principal of the Nevada State Parks and Cultural Resources Endowment Fund must not be spent and only the interest earned on the principal may be used to carry out the provisions of the bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 450.

Bill read second time.

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

Amendment No. 382.

"SUMMARY—Revises the qualifications for certain district health officers. (BDR 40-1081)"

"AN ACT relating to public health; revising the qualifications for certain district health officers; and providing other matters properly relating thereto." Legislative Counsel's Digest:

Existing law provides for the appointment of a State Health Officer by the Director of the Department of Health and Human Services and establishes the qualifications for that position. (NRS 439.090, 439.100) Existing law further creates a health district in a county whose population is 700,000 or more. Such a health district has a health department consisting of a district health officer and a district board of health. (NRS 439.362) Existing law requires the district board of health in such a county to appoint a district health officer for the health district and establishes the qualifications for the district health officer. (NRS 439.368) This bill revises the qualifications of the district health officer. [, making them the same as the qualifications for the State Health Officer.]

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

Section 1. NRS 439.368 is hereby amended to read as follows:

439.368 1. The district board of health shall appoint a district health officer for the health district who shall have full authority as a county health officer in the health district.

- 2. The district health officer must:
- (a) Be <u>licensed to practice medicine or osteopathic medicine in this State</u> [; and] or be eligible for such a license and obtain such a license within 12 months after being appointed as district health officer;
  - (b) Have at least [the following additional education and experience:
- (1) A master's degree in public health, health care administration, public administration, business administration or a related field; and
- (2) Ten] 5 years of management experience [in an administrative position] in a local, state or national public health department, program, organization or agency [. a citizen of the United States;
- (b) Have not less than 5 years of experience in population-based health care; and

## (c) Bc:

- (1) Licensed in good standing or eligible for a license as a physician or administrative physician in Nevada;
- (2) Licensed in good standing or eligible for a license as a physician or administrative physician in the District of Columbia or in any state or territory of the United States; or
  - (2) A physician or administrative physician who has]; and (c) Have:
- (1) At least a master's degree for doctoral degree in public health <u>health care administration</u>, public administration, business administration or a related field <del>[.]</del>;
- (2) Work experience which is deemed to be equivalent to a degree described in subparagraph (1), which may include, without limitation, relevant work experience with a national organization which conducts research on issues concerning public health; or
- (3) Obtained certification from or be eligible to be certified by the American Board of Preventive Medicine, its successor organization or, if there is no successor organization, by a similar organization designated by the district board of health.
- 3. The district health officer is entitled to receive a salary fixed by the district board of health and serves at the pleasure of the board.
- 4. Any clinical program of a district board of health which requires medical assessment must be carried out under the direction of a physician.
- f 5. As used in this section, "population-based health care" means the use of various approaches to medical care for specific groups or populations based upon common demographic characteristics, risk factors or diseases.]
- Sec. 2. Notwithstanding the amendatory provisions of section 1 of this act, any person who, on July 1, 2013, is serving as the district health officer in a county whose population is 700,000 or more and who is otherwise qualified to serve as the district health officer on that date may continue to serve in that capacity until his or her successor is appointed by the district board of health.
  - Sec. 3. This act becomes effective on July 1, 2013.

Senator Kieckhefer moved the adoption of the amendment.

## Remarks by Senator Kieckhefer.

Amendment No. 382 to Senate Bill No. 450 replaces the current qualifications for a district health officer and replaces them with the following; the district health officers must: (1) be licensed or eligible to be licensed and, if eligible, must obtain a medical license within 12 months of hire; and (2) have a master's degree as indicated, or equivalent job experience; or certification or eligibility to obtain certification by the American Board of Preventive Medicine, and five years of experience working in a management position for a local, state or national public health agency.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 476.

Bill read second time and ordered to third reading.

Senate Bill No. 508.

Bill read second time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 244.

"SUMMARY—Repeals provisions relating to [the employment of certain employees of railroad companies.] trains. (BDR 58-576)"

"AN ACT relating to the California-Nevada Super Speed Ground Transportation System; repealing provisions relating to the California-Nevada Super Speed Ground Transportation System; repealing provisions relating to the employment of certain employees of railroad companies; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides for a California-Nevada Super Speed Ground Transportation Commission, charged with pursuing the development of a Super Speed Ground Transportation System connecting southern California with southern Nevada. (NRS 705.4291, 705.4293) Sections 1-3, 5 and 6 of this bill eliminate obsolete provisions regarding the System by removing references to California's participation on the Commission and reorganizing the System under the State of Nevada.

Existing law requires the Legislative Counsel and the Research Director of the Legislative Counsel Bureau to work collaboratively to develop recommendations for the elimination of obsolete or antiquated provisions of the Nevada Revised Statutes. (NRS 220.085) [This] Section 4 of this bill repeals certain obsolete provisions of existing law which prohibit the employment of certain engineers or engine drivers to run a locomotive or train and the discharging from employment of certain flaggers and trainmen. (NRS 705.240, 705.390, 705.420)

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

Section 1. NRS 705.4291 is hereby amended to read as follows:

705.4291 The Legislature finds and declares that:

- 1. Passage of NRS 705.4291 to 705.4296, inclusive, is a declaration of legislative intent that the [States of California and Nevada jointly] State of Nevada consider and, if justified, pursue the development of a Super Speed Ground Transportation System connecting southern California with southern Nevada.
  - 2. The System will:
- (a) Provide economic benefits to both southern California and southern Nevada.
- (b) Reduce reliance on gasoline- and diesel-fueled engines and encourage the use of alternative energy sources.
- (c) Reduce congestion on Interstate Highway No. 15 between southern California and Las Vegas.
- (d) Provide a working example for a transportation system that could play an essential role in the development of future commuter service in the Los Angeles Basin and the Las Vegas Valley.
- (e) Provide quick and convenient transportation service for residents and visitors in southern California and southern Nevada.
  - Sec. 2. NRS 705.4292 is hereby amended to read as follows:
- 705.4292 As used in NRS 705.4291 to 705.4296, inclusive, unless the context otherwise requires:
- 1. "Commission" means the <u>[California Nevada]</u> Super Speed Ground Transportation Commission.
- 2. "Southern California" means the counties of Los Angeles, Orange, Riverside and San Bernardino.
  - 3. "Super Speed Ground Transportation System" means a system that:
- (a) Is capable of sustained speeds of at least 240 miles per hour;
- (b) Uses magnetic levitation technology;
- (c) Carries primarily passengers; and
- (d) Operates on a grade-separated, dedicated guideway.
- Sec. 3. NRS 705.4293 is hereby amended to read as follows:
- 705.4293 1. There is hereby created the [California-Nevada] Nevada Super Speed Ground Transportation Commission as a separate legal entity. The governing body of the Commission consists of [:
- (a) The members from California appointed pursuant to the law of California and the bylaws of the Commission.
- (b) The same number of members from Nevada as are from California,] *eight members* appointed by the Governor. [of Nevada.]
- 2. The members [from Nevada] serve for terms of 4 years and may be reappointed at the pleasure of the Governor.
  - 3. The Commission shall elect one of its members as Chair.
- [Section 1.] Sec. 4. NRS 705.240, 705.390 and 705.420 are hereby repealed.
  - Sec. 5. On the effective date of this act:

- 1. The rights, obligations and property of the State of Nevada in the California-Nevada Super Speed Ground Transportation Commission, if any, become the rights, obligations and property of the Nevada Super Speed Ground Transportation Commission.
- 2. The Nevada members of the California-Nevada Super Speed Ground Transportation Commission become the members of the Nevada Super Speed Ground Transportation Commission and shall be deemed to have been appointed to the Nevada Super Speed Ground Transportation Commission on the dates that they were appointed to the California-Nevada Super Speed Ground Transportation Commission.
  - Sec. 6. 1. This act becomes effective upon passage and approval.
  - 2. Sections 1, 2 and 3 of this act expire by limitation:
- (a) One year after the date on which the Governor declares by public proclamation that the Super Speed Ground Transportation System connecting southern California with southern Nevada has been completed; or
- (b) On the date all borrowing made pursuant to NRS 705.42955 is retired, whichever is later.

#### TEXT OF REPEALED SECTIONS

- 705.240 Engineer required to be able to read timetables and ordinary handwriting; penalty.
- 1. It shall be unlawful for any person, as an officer of a corporation or otherwise, knowingly to employ an engineer or engine driver to run a locomotive or train on any railway if such engineer or engine driver cannot read timetables and ordinary handwriting.
- 2. It shall be unlawful for any person who cannot read timetables and ordinary handwriting to act as an engineer or run a locomotive or train on any railway.
- 3. Any person who violates any provision of this section shall be guilty of a gross misdemeanor.
- 705.390 Protection of flagger and trainman employed on certain dates from discharge or loss of employment. No person employed as a flagger on any railroad in this State on April 1, 1963, may be discharged or lose such employment by reason of the provisions of chapter 176, Statutes of Nevada 1963. No person holding seniority as a trainman on any railroad in this State on July 1, 1985, may be discharged or lose such employment by reason of the provisions of chapter 358, Statutes of Nevada 1985. But if a flagger or a trainman retires, terminates or voluntarily leaves such employment, the railroad company need not replace the position so vacated.
- 705.420 Penalty. Any railroad company or receiver of any railroad company, and any person engaged in the business of common carrier doing business in the State of Nevada, which violates any of the provisions of NRS 705.390 is liable to the Public Utilities Commission of Nevada for a penalty of \$500 for each violation.

Senator Manendo moved the adoption of the amendment.

#### Remarks by Senator Manendo.

Amendment No. 244 to Senate Bill No. 508 eliminates obsolete provisions concerning the Super Speed Ground Transportation System. It reorganizes the Super Speed Ground Transportation System under the State of Nevada and removes California as a participant from the current statute.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Joint Resolution No. 1.

Resolution read second time.

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

Amendment No. 220.

"SUMMARY—Expresses support for wild horses and burros in Nevada. (BDR R-115)"

"SENATE JOINT RESOLUTION—Expressing support for wild horses and burros in Nevada."

WHEREAS, Wild horses and burros are an integral part of the ecosystem and rangelands of the United States and the State of Nevada; and

WHEREAS, Wild horses and burros helped to build this nation and are living symbols of freedom and our American Western heritage, as represented by the depiction of wild horses on the Nevada State quarter; and

WHEREAS, Wild horses and burros are natural resources and cultural assets, and have the potential to promote tourism and job creation in this State; and

WHEREAS, Building eco-sanctuaries that enable the public to view and photograph wild horses and burros may provide a much needed boost to the Nevada economy; and

WHEREAS, The Bureau of Land Management is required to maintain a thriving natural ecological balance and multiple use relationship on public lands in the State of Nevada: and

WHEREAS, Limiting the numbers of wild horses and burros on public and private lands may jeopardize their genetic diversity, health and long-term survival in the State of Nevada; and]

WHEREAS, [Healthy rangelands and healthy wild] Wild horses and burros depend on the understanding, cooperation and fairness of all interested parties; now, therefore, be it

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That the Nevada Legislature:

- 1. Supports the preservation and protection of our iconic wild horses and burros <del>[on public and private lands]</del> in the State of Nevada as living symbols of freedom, the pioneer spirit of the West and America's heritage, as well as valuable natural resources and cultural assets;
- 2. Supports the development of wild horse and burro related ecotourism in the State of Nevada;

- 3. Encourages the State Department of Agriculture to enter into cooperative agreements with local wild horse and burro advocacy groups pursuant to NRS 569.031 concerning wild horses and burros living on private lands that are under the jurisdiction of the State Department of Agriculture;
- 4. Encourages a spirit of cooperation, collaboration and fairness among wild horse and burro advocacy groups, private land owners [-] and the State Department of Agriculture : [-, the Bureau of Land Management and the United States Forest Service;] and be it further

RESOLVED, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the United States Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation, the [Secretary of the Interior, the Secretary of Agriculture, the Director of the Bureau of Land Management, the Chief of the United States Forest Service] Governor and the Director of the State Department of Agriculture; and be it further

RESOLVED, That this resolution becomes effective upon passage.

Senator Manendo moved the adoption of the amendment.

Remarks by Senator Manendo.

Amendment No. 220 to Senate Joint Resolution No. 1 deletes certain references to federal land management agencies and language requiring the resolution to be transmitted to those federal agencies. It removes certain references made to "public and private lands."

Amendment adopted.

Resolution ordered reprinted, engrossed and to third reading.

Senator Denis moved that the Senate recess subject to the call of the Chair. Motion carried.

Senate in recess at 3:57 p.m.

#### SENATE IN SESSION

At 4:24 p.m.

President pro Tempore Parks presiding.

Ouorum present.

GENERAL FILE AND THIRD READING

Senate Bill No. 59.

Bill read third time.

Remarks by Senator Ford.

Thank you, Mr. President pro Tempore. Senate Bill No. 59 eliminates the statutory restriction that prohibits the use of school district facilities by charter schools during regular school hours. I urge your support.

Roll call on Senate Bill No. 59:

YEAS-20.

NAYS-None.

EXCUSED—Segerblom.

Senate Bill No. 59 having received a constitutional majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 176.

Bill read third time.

Remarks by Senator Jones.

Thank you, Mr. President pro Tempore. Senate Bill No. 176 requires an agency that provides child welfare services to determine whether a report concerning the possible abuse or neglect of a child, which the agency has determined warrants an investigation, is substantiated or unsubstantiated by credible evidence. I urge your support.

Roll call on Senate Bill No. 176:

YEAS—20.

NAYS-None.

EXCUSED—Segerblom.

Senate Bill No. 176 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 276.

Bill read third time.

Remarks by Senator Cegavske.

Thank you, Mr. President pro Tempore. I rise in support of Senate Bill No. 276 which directs the Legislative Committee on Health Care to appoint a subcommittee to conduct an interim study of the delivery of supported living services and jobs and day training services to Medicaid recipients. The study must include, without limitation: (1) an evaluation of the needs of Medicaid recipients for these services and recommendations to improve the delivery of these services; and (2) an evaluation of the rate of reimbursement provided by Medicaid to providers of these services, including recommendations regarding the rates necessary to ensure an adequate number of providers to address the needs of Medicaid recipients within this State. The Legislative Committee on Health Care shall submit a report of the results of the study and any recommendations for legislation to the 78th Session of the Nevada Legislature. This bill is effective on July 1, 2013. I would appreciate your support.

Roll call on Senate Bill No. 276:

YEAS—20.

NAYS-None.

EXCUSED—Segerblom.

Senate Bill No. 276 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 309.

Bill read third time.

Remarks by Senator Spearman.

I would like to recognize my intern for this Legislative Session, Mr. Morgan Fisher, as this bill was his brainchild. Senate Bill No. 309 urges the Nevada System of Higher Education and various business organizations, such as chambers of commerce, to establish mentoring programs for new, aspiring or struggling business entrepreneurs, especially for those who are veterans, small businesses or minority business owners. It also urges the various groups to work together

to establish scholarship awards, based upon merit and need, and consider best practices for similar mentoring programs, including those that provide peer mentoring and training in management, to turn business ideas into viable businesses. The bill is effective upon passage and approval.

According to testimony, one potential model program that might be examined is Utah's Foundry Program, established at the University of Utah's David Eccles School of Business. The program serves as a business incubator for entrepreneurs.

Roll call on Senate Bill No. 309:

YEAS-20.

NAYS-None.

EXCUSED-Segerblom.

Senate Bill No. 309 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 344.

Bill read third time.

Remarks by Senator Woodhouse.

Thank you, Mr. President pro Tempore. Senate Bill No. 344, as amended, authorizes certain hospitals and facilities licensed by the Health Division of the Nevada Department of Health and Human Services that provide residential treatment to children and which operate a licensed private school to request reimbursement from the Department of Education for the cost of providing educational services to a child. The Department of Health and Human Services must verify the child is a patient or resident of the hospital or facility and attends the licensed private school for more than seven days.

The Department of Education shall determine the requested amount of reimbursement to the hospital or facility based upon a percentage of the per pupil basic support guarantee and shall withhold such amount from the school district or charter school where the child would attend if the child were not a patient in the hospital or facility. The funding withheld shall then be distributed by the Department of Health and Human Services to the hospital or facility. Any necessary regulations to carry out these provisions shall be adopted by the Department of Health and Human Services.

Section 2 of Senate Bill No. 344 authorizes the Department of Education, school districts, charter schools and the Health Division of the Department of Health and Human Services to enter into cooperative agreements for the provision of educational services at such hospitals and facilities licensed by the Health Division.

Senate Bill No. 344, as amended, becomes effective upon passage and approval for the purposes of entering into cooperative agreements, adopting regulations, and any other necessary preparatory administrative tasks and on July 1, 2013, for all other purposes.

Roll call on Senate Bill No. 344:

YEAS-20.

NAYS-None.

EXCUSED—Segerblom.

Senate Bill No. 344 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 345.

Bill read third time.

Remarks by Senators Woodhouse and Denis.

SENATOR WOODHOUSE:

Senate Bill No. 345 creates a 15-member Advisory Council on Science, Technology, Engineering and Mathematics, or "STEM," within the Nevada Department of Education. The Superintendent of Public Instruction, the Chancellor of the Nevada System of Higher Education, the Executive Director of the Office of Economic Development and the Director of the Department of Employment, Training and Rehabilitation, or their designees, serve as ex officio members. The Advisory Council on Science, Technology, Engineering and Mathematics also includes 11 voting members who are educators or businesspeople in science, technology, engineering and mathematics fields appointed by legislative leadership. Members serve without compensation.

Among other things, the Advisory Council is required to develop a strategic plan for the development of education resources in science, technology, engineering and mathematics to serve as a foundation for workforce development, college preparedness and economic development. Finally, the Advisory Council must submit reports of its activities to the Legislature, the State Board of Education and the Governor with recommendations on science, technology, engineering and mathematics instruction and curriculum. The bill is effective on July 1, 2013, and expires by limitation on June 30, 2017.

According to testimony, there are currently not enough trained workers to meet the demand for science, technology, engineering and mathematics skills in Nevada. The Governor's Office of Economic Development is targeting growth in sectors such as health and medical services, clean energy and information technology. Each of these sectors needs science, technology, engineering and mathematics skills. Six other states have created advisory councils or committees on science, technology, engineering, and mathematics: Arkansas, Delaware, Iowa, Kentucky, Massachusetts and Oregon. I urge your support.

SENATOR DENIS:

Thank you, Mr. President pro Tempore. science, technology, engineering and mathematics education is a big deal because it is all of the important things we keep talking about. It's our future. I support this bill, and I support setting this up so we have some direction in the State for science, technology, engineering and mathematics education. I urge the Body's support.

Roll call on Senate Bill No. 345:

YEAS—20. NAYS—None. EXCUSED—Segerblom.

Senate Bill No. 345 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 382.

Bill read third time.

Remarks by Senator Ford.

Senate Bill No. 382 revises provisions concerning the flammability of certain components and materials contained in new school buses. The measure delays compliance with these standards by applying them to new buses purchased after January 1, 2016. The bill also revises provisions concerning flammability standards that may be applied to components within the engine compartment of a new school bus. In lieu of meeting those standards, a bus may be purchased if the engine compartment contains an automatic fire suppression system that meets certain specifications. The bill is effective upon passage and approval.

Roll call on Senate Bill No. 382:

YEAS—20. NAYS—None. EXCUSED—Segerblom. Senate Bill No. 382 having received a constitutional majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 442.

Bill read third time.

Remarks by Senator Woodhouse.

Thank you, Mr. President pro Tempore. Senate Bill No. 442 deletes and repeals various reporting requirements relating to school districts and public schools that are duplicative of other reports, are obsolete or pose a significant burden on staff resources within schools and school districts. The bill is effective on July 1, 2013.

The measure repeals statutes requiring: (1) the Superintendent of Public Instruction to provide copies of codified statutes related to education and to send an annual memorandum to each school district and charter school governing body concerning legislative actions outlining the related duties of schools or school districts; (2) charter school governing bodies and school districts to establish a plan to implement the statutes, including parental notice of the changes; (3) school district adoption of a policy, in response to the State Department of Education policy, requiring a safe and respectful learning environment and for the ethical, safe and secure use of computers; (4) a pilot program for small learning communities in middle schools and junior high schools beginning next fiscal year; (5) school district adoption of a policy for peer mentoring programs in middle schools and junior high schools; (6) school district and charter school adoption of policies concerning certain pupil-led conferences; (7) the establishment of small learning communities in certain large high schools; (8) school districts that adopt a peer mentoring program for high schools to meet certain requirements for such a policy; (9) reports to the Department of Education concerning the results of the State criterion referenced examinations for English, mathematics, writing and science, and the reconciliation of the number of pupils taking the exams; (10) school districts to conduct height and weight examinations of a representative sample of pupils; (11) school districts to establish school attendance councils; (12) reports related to an alternative school schedule; and (13) reports about the use of environmentally sensitive cleaning and maintenance products within the school district.

The Senate Committee on Education urges your support.

Roll call on Senate Bill No. 442:

YEAS-20.

NAYS-None.

EXCUSED—Segerblom.

Senate Bill No. 442 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 505.

Bill read third time.

Remarks by Senator Ford.

Senate Bill No. 505 repeals provisions in *Nevada Revised Statutes* that establish the Columbia Basin Interstate Compact Commission of the State of Nevada. Analysis conducted by the Research Division indicates that the compact never actually functioned. Oregon and Washington did not adopt similar statutes, and Idaho and Utah repealed their provisions many years ago. The compact was never agreed to by the two primary states, Oregon and Washington, nor was the compact approved by the United States Congress. For these reasons, there no longer appeared to be a reason to retain these provisions and, as a result, the Legislative Commission requested Senate Bill No. 505 to remove these obsolete provisions from the *Nevada Revised Statutes*.

Roll call on Senate Bill No. 505:

YEAS—20. NAYS—None.

EXCUSED—Segerblom.

Senate Bill No. 505 having received a constitutional majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

### UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President pro Tempore and Secretary of the Senate signed Senate Bill No. 121.

#### GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Atkinson, the privilege of the Floor of the Senate Chamber for this day was extended to Aileen Martin, Anthony Martin and Arnold Martin Jr

On request of Senator Brower, the privilege of the Floor of the Senate Chamber for this day was extended to former Senator Spike Wilson and Stephanie Tyler.

On request of Senator Denis, the privilege of the Floor of the Senate Chamber for this day was extended to former Senators Bernice Mathews and Sue Wagner; also, Mark Bacon, Marybel Batjer, Christina Batjer, Elisa Cafferata, Guy Clifton, Kathy Person and Lana Walker.

On request of Senator Goicoechea, the privilege of the Floor of the Senate Chamber for this day was extended to Terri Fritz.

On request of Senator Hammond, the privilege of the Floor of the Senate Chamber for this day was extended to Stephanie Lamboley.

On request of Senator Hutchison, the privilege of the Floor of the Senate Chamber for this day was extended to Stella Blood.

On request of Senator Manendo, the privilege of the Floor of the Senate Chamber for this day was extended to Barbara Weinberg.

On request of Senator Parks, the privilege of the Floor of the Senate Chamber for this day was extended to Jennifer Crowe.

On request of Senator Segerblom, the privilege of the Floor of the Senate Chamber for this day was extended to Martha Romero.

On request of Senator Settelmeyer, the privilege of the Floor of the Senate Chamber for this day was extended to the students from Rite of Passage Charter School: Damion Anaya, Cody Brooks, Hector Carranza, Jose Carvajal, Markus Gallegos, Paul Haynes, Erick Johnson, Saul Meza, Logan Ortiz, Juan Jay Reyes, Christopher Romiski, Ruben Sanchez, Micah Taylor, Hunter Thomas, Cedric Vincent and Christian Weikl.

On request of Senator Smith, the privilege of the Floor of the Senate Chamber for this day was extended to Nathan Sutton.

On request of Senator Woodhouse, the privilege of the Floor of the Senate Chamber for this day was extended to Shayne Del Cohen.

Senator Denis moved that the Senate adjourn until Thursday, April 18, 2013, at 11:00 a.m.

Motion carried.

Senate adjourned at 4:48 p.m.

Approved:

DAVID R. PARKS
President pro Tempore of the Senate

Attest: DAVID A. BYERMAN

Secretary of the Senate