SENATE BILL NO. 434—COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS

MARCH 23, 2015

Referred to Committee on Legislative Operations and Elections

SUMMARY—Makes various changes relating to initiative and referendum petitions. (BDR 24-1150)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§§ 1, 5) (NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

EXPLANATION - Matter in bolded italics is new; matter between brackets fomitted material; is material to be omitted.

AN ACT relating to ballot questions; requiring the filing of a proposed petition for an initiative or referendum, and the preparation of a title and description of effect for the petition, as a prerequisite to the filing and circulation of a petition; establishing the process by which the title and description of effect are prepared; requiring the Secretary of State to prepare a handbook for the circulators of certain petitions; requiring the proponent of such a petition to file with the Secretary of State a list of paid circulators; revising the single-subject requirement applicable to such a petition; revising the process by which a person may assert certain challenges to a petition; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, before a statewide initiative or referendum petition may be circulated for signature by the voters, the proponent of the petition must file a copy of the petition with the Secretary of State. (Nev. Const. Art. 19, §§ 1, 2; NRS 295.015) Existing law further provides that such a petition must: (1) be limited to a single subject; and (2) include on each signature page a description of the effect of the petition if it is approved by the voters. The description of effect is prepared by the proponent of the petition, but any person may challenge the description or the petition's compliance with the single-subject requirement by filing an action in the First Judicial District Court after the copy of the petition is placed on file with the Secretary of State. (NRS 295.009, 295.061)





Sections 4-9 of this bill revise the process by which the required description of effect is prepared and challenged. Initially, before a copy of the petition to be circulated may be filed with the Secretary of State, section 4 requires the filing of a proposed petition, signed by not less than 2,000 registered voters. Under section 5, the signed documents of the proposed petition must be submitted to and verified by the county clerks in the manner provided by existing law for any statewide initiative or referendum. If the Secretary of State determines, based upon the county clerks' process of verification, that the required signatures have been obtained, section 6 provides that the proposed petition is deemed to have been filed. Section 6 requires the Secretary of State to notify the Attorney General of the filing and provide the Attorney General with a copy of the proposed petition.

Sections 7-9 require the Attorney General, or his or her designee, to initiate a process of public notice, comment and hearing, culminating in the preparation and adoption by the Attorney General of a title and description of effect for the proposed petition. Section 7 sets forth the requirements for the content of the title and description of effect. If the proposed petition creates, generates, increases or provides for the expenditure of any public revenue, section 7 requires that the title and description of effect identify the manner in which the revenue is to be produced or expended. After the final title and description of effect are adopted by the Attorney General or his or her designee, section 9 provides that the proponent of the proposed petition must incorporate the title and description of effect in a revised petition and place a copy of the revised petition on file with the Secretary of State. This revised petition is the copy required by existing law to be filed before circulation of the petition may begin.

Sections 9 and 15 of this bill also revise the process by which a person may assert that a description of effect is deficient or that a petition fails to comply with the single-subject requirement. Section 9 provides that the title and description of effect adopted by the Attorney General may be challenged through judicial review in the manner provided by existing law for the review of an administrative decision. (NRS 233B.130-233B.150) Section 15 provides that a complaint asserting a single-subject challenge must be filed within 15 business days after notice is given of the filing of the proposed petition.

Section 12 of this bill revises the single-subject requirement itself, in accordance with certain decisions of the Supreme Court of Florida. Under the revised standard, a petition must embrace one subject and matters directly connected therewith. This requirement is satisfied if the parts of the proposed measure may logically be viewed as having a natural relation to a single dominant plan or scheme. (*Fine v. Firestone*, 448 So. 2d 984 (Fla. 1984); *Floridians Against Casino Takeover v. Let's Help Fla.*, 363 So. 2d 337 (Fla. 1978))

Section 10 of this bill requires the Secretary of State to prepare a handbook for petition circulators setting forth the requirements of statute and regulation that govern the circulation of a petition for an initiative or referendum.

Before a petition for an initiative or referendum is circulated for signature, **section 11** of this bill requires the proponent of the petition to file with the Secretary of State a list of the persons who will be paid to circulate the petition. This list must be updated monthly during the circulation of the petition.





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

Section 1. NRS 293.1276 is hereby amended to read as follows:

293.1276 1. Within 4 days, excluding Saturdays, Sundays and holidays, after the submission of a petition containing signatures which are required to be verified pursuant to NRS 293.128, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110, or section 5 of this act, the county clerk shall determine the total number of signatures affixed to the documents and, in the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, shall tally the number of signatures for each petition district contained fully or partially within the county and forward that information to the Secretary of State.

- 2. If the Secretary of State finds that the total number of signatures filed with all the county clerks is less than 100 percent of the required number of registered voters, the Secretary of State shall so notify the person who submitted the petition and the county clerks and no further action may be taken in regard to the petition. If the petition is a petition to recall a county, district or municipal officer, the Secretary of State shall also notify the officer with whom the petition is to be filed.
- 3. After the petition is submitted to the county clerk, it must not be handled by any other person except by an employee of the county clerk's office until it is filed with the Secretary of State.
- 4. The Secretary of State may adopt regulations establishing procedures to carry out the provisions of this section.

Sec. 2. NRS 293.1277 is hereby amended to read as follows:

293.1277 1. If the Secretary of State finds that the total number of signatures submitted to all the county clerks is 100 percent or more of the number of registered voters needed to declare the petition sufficient, the Secretary of State shall immediately so notify the county clerks. Within 9 days, excluding Saturdays, Sundays and holidays, after notification, each of the county clerks shall determine the number of registered voters who have signed the documents submitted in the county clerk's county and, in the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, shall tally the number of signatures for each petition district contained or fully contained within the county clerk's county. For the purpose of verification pursuant to this section, the county clerk shall not include in his or her tally of total signatures any signature included in the incorrect petition district.





- 2. Except as otherwise provided in subsection 3, if more than 500 names have been signed on the documents submitted to a county clerk, the county clerk shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerk is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures, whichever is greater. If documents were submitted to the county clerk for more than one petition district wholly contained within that county, a separate random sample must be performed for each petition district.
- 3. If a petition district comprises more than one county and the petition is for an initiative or referendum proposing a constitutional amendment or a statewide measure, and if more than 500 names have been signed on the documents submitted for that petition district, the appropriate county clerks shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerks within the petition district is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures presented in the petition district, whichever is greater. The Secretary of State shall determine the number of signatures that must be verified by each county clerk within the petition district.
- 4. In determining from the records of registration the number of registered voters who signed the documents, the county clerk may use the signatures contained in the file of applications to register to vote. If the county clerk uses that file, the county clerk shall ensure that every application in the file is examined, including any application in his or her possession which may not yet be entered into the county clerk's records. Except as otherwise provided in subsection 5, the county clerk shall rely only on the appearance of the signature and the address and date included with each signature in making his or her determination.
 - 5. If:

- (a) Pursuant to NRS 293.506, a county clerk establishes a system to allow persons to register to vote by computer; or
- (b) A person registers to vote pursuant to NRS 293D.230 and signs his or her application to register to vote using a digital signature or an electronic signature,
- the county clerk may rely on such other indicia as prescribed by the Secretary of State in making his or her determination.





- 6. In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, when the county clerk is determining the number of registered voters who signed the documents from each petition district contained fully or partially within the county clerk's county, he or she must use the statewide voter registration list available pursuant to NRS 293.675.
- 7. Except as otherwise provided in subsection 9, upon completing the examination, the county clerk shall immediately attach to the documents a certificate properly dated, showing the result of the examination, including the tally of signatures by petition district, if required, and transmit the documents with the certificate to the Secretary of State. In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, if a petition district comprises more than one county, the appropriate county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the certificate. A copy of this certificate must be filed in the clerk's office. When the county clerk transmits the certificate to the Secretary of State, the county clerk shall notify the Secretary of State of the number of requests to remove a name received by the county clerk pursuant to NRS 295.055 or 306.015.
- 8. A person who submits a petition to the county clerk which is required to be verified pursuant to NRS 293.128, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110 *or section 5 of this act* must be allowed to witness the verification of the signatures. A public officer who is the subject of a recall petition must also be allowed to witness the verification of the signatures on the petition.
- 9. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not transmit to the Secretary of State the documents containing the signatures of the registered voters.
- 10. The Secretary of State shall by regulation establish further procedures for carrying out the provisions of this section.
- **Sec. 3.** Chapter 295 of NRS is hereby amended by adding thereto the provisions set forth as sections 4 to 11, inclusive, of this act.
 - Sec. 4. 1. Before placing a copy of a petition for initiative or referendum on file with the Secretary of State pursuant to Section 1 or 2 of Article 19 of the Nevada Constitution and NRS 295.015, the proponent of the petition must file with the Secretary of State a proposed petition setting forth the full text of the measure proposed and bearing the signatures of not less than 2,000 persons who are registered voters in this State. Those signatures are not valid for the purposes of the petition for





initiative or referendum thereafter placed on file with the Secretary of State pursuant to section 9 of this act.

2. The proposed petition must be in the form required by Section 3 of Article 19 of the Nevada Constitution, NRS 295.009, 295.055 and 295.0575 and any regulations adopted pursuant thereto, except that the proposed petition:

(a) Must not include the description of effect required by NRS

295.009; and

(b) Must set forth a neutral summary, in not more than 200 words, of the purpose of the proposed initiative or referendum. The summary must appear on each signature page of the proposed petition and is not subject to challenge in any judicial or administrative proceeding.

3. Except as otherwise provided in this section, the provisions of NRS 295.009, 295.055 and 295.0575 that apply to a petition for an initiative or referendum also apply to a proposed petition filed pursuant to this section, and any reference in those sections to a petition for an initiative or referendum shall be deemed to include

19 a proposed petition.

Sec. 5. 1. Before a proposed petition is filed with the Secretary of State pursuant to section 4 of this act, the proponent must submit to each county clerk for verification the document or documents of the proposed petition which were circulated for signature within the clerk's county. The county clerk shall give the person submitting a document or documents a receipt stating the number of documents and pages and the statement of the person of the number of signatures contained therein.

2. All documents of a proposed petition which are submitted to a county clerk for verification must be submitted at the same time. If documents of a proposed petition are submitted for verification to more than one county clerk, the documents must be submitted to each county clerk on the same day. At the time that the proposed petition is submitted to a county clerk for verification, the person submitting the document or documents shall designate a contact person who is authorized to address questions or issues relating to the proposed petition.

3. The provisions of NRS 293.12758 to 293.12795, inclusive, that apply to the verification of a petition for an initiative or referendum proposing a constitutional amendment or statewide measure also apply to the verification of the documents of the proposed petition, and any reference in those sections to such a

petition shall be deemed to include a proposed petition.

Sec. 6. 1. If a proposed petition is in proper form and the certificates received by the Secretary of State from all the county clerks establish that the proposed petition has not less than the





minimum number of signatures required for each petition district, the Secretary of State shall declare the proposed petition to be sufficient and it shall be deemed to have been filed with the Secretary of State for the purposes of section 4 of this act as of the date of receipt by the Secretary of State of those certificates and the document or documents comprising the proposed petition.

2. The Secretary of State shall:

(a) Notify the proponent of the proposed petition and the Attorney General of the filing of the proposed petition and the declaration of sufficiency; and

(b) Transmit a copy of the proposed petition to the Attorney General.

3. A declaration of sufficiency by the Secretary of State pursuant to this section:

(a) Does not bar the timely filing of a complaint pursuant to NRS 295.061 that the proposed petition embraces more than one subject. Any such claim that is not filed within the time provided by NRS 295.061 is forever barred, both with respect to the proposed petition and any petition for initiative or referendum thereafter placed on file with the Secretary of State.

(b) Except as otherwise provided in paragraph (a), is not subject to review in any judicial or administrative proceeding.

Sec. 7. 1. After receiving notice of the filing of a proposed petition from the Secretary of State pursuant to section 6 of this act, the Attorney General or his or her designee shall prepare a title and description of effect for the proposed petition in accordance with this section and sections 8 and 9 of this act. Subject to judicial review, the title and description of effect adopted for the proposed petition by the Attorney General must be used on the petition for initiative or referendum thereafter placed on file with the Secretary of State.

2. Not later than 3 business days after receiving the notice described in subsection 1 or, if a complaint has been filed with respect to the proposed petition pursuant to NRS 295.061, not later than 3 business days after receiving written notice of the entry of an order of the district court dismissing the complaint, whichever is later, the Attorney General or his or her designee shall cause to be posted on the Internet website of the Attorney General and served upon the proponent of the proposed petition a notice:

(a) Containing the summary and text of the proposed petition;

(b) Reciting that the Attorney General is required by law to prepare a title and description of effect for the proposed petition after receiving public comment and conducting a public hearing;

(c) Soliciting written comments from any interested person concerning the title and description of effect for the proposed





petition and setting forth the deadline for the submission of comments; and

(d) Setting forth the date, time and place of the public hearing required by section 8 of this act.

3. The Attorney General or his or her designee shall accept written comments concerning the title and description of effect for the proposed petition for 10 business days after the posting of the notice required by subsection 2.

4. Not more than 5 business days after the close of the period of public comment, the Attorney General or his or her designee shall prepare a proposed title and description of effect for the proposed petition. The proposed title must set forth, in not more than 15 words, the general nature of the proposed petition. The proposed description of effect must set forth, in not more than 250 words, a straightforward, succinct and nonargumentative statement of what the proposed petition is intended to accomplish and how it will achieve those goals, to the extent that such information can reasonably be determined from the text of the proposed petition and any matters of which the Attorney General or his or her designee may properly take official notice. The proposed description of effect must not be deceptive or misleading, but need not be an accurate forecast of all of the potential or hypothetical effects of the proposed petition. If a proposed petition proposes to create, generate, increase or provide for the expenditure of any public revenue in any form, the proposed title and description of effect must identify the manner in which such revenue is proposed to be created, generated, increased or expended, as applicable.

5. Not less than 3 business days but not more than 10 business days before the public hearing required by section 8 of this act, the Attorney General or his or her designee shall cause copies of the proposed title and description of effect to be posted on the Internet website of the Attorney General and give notice of the posting to the proponent of the proposed petition.

Sec. 8. 1. Not less than 30 but not more than 40 calendar days after the date of the posting required by subsection 2 of section 7 of this act, the Attorney General or his or her designee shall conduct a public hearing on the proposed title and description of effect prepared for the proposed petition.

2. At the hearing, the proponent of the proposed petition and any person interested in the proposed petition may appear, personally or by counsel, and present arguments and evidence relating to the proposed title and description of effect and their compliance or lack of compliance with the requirements of subsection 4 of section 7 of this act.





3. The rules of evidence are not applicable to the hearing. The Attorney General or his or her designee may, with or without prior notice, limit the presentation of arguments or evidence as necessary to expedite the conduct of the hearing.

Sec. 9. 1. Not later than 5 business days after the close of the hearing required by section 8 of this act, the Attorney General

or his or her designee shall:

(a) Adopt the final title and description of effect for the proposed petition;

(b) Cause copies of the final title and description of effect to be posted on the Internet website of the Attorney General and give notice of the posting to the proponent of the proposed petition and any other person who appeared at the hearing;

(c) Notify the Secretary of State of the adoption of the final

title and description of effect; and

- (d) Provide the Secretary of State with the text of the final title and description of effect.
- 2. Before the petition for initiative or referendum may be presented to the voters for their signatures, the proponent of the petition shall revise the proposed petition to incorporate the final title and description of effect adopted by the Attorney General and place a copy of the revised petition on file with the Secretary of State pursuant to Section 1 or 2 of Article 19 of the Nevada Constitution and NRS 295.015.
- 3. Any person aggrieved by the action of the Attorney General or his or her designee in adopting the final title and description of effect may seek judicial review in the manner provided by chapter 233B of NRS. If the final title or description of effect is challenged successfully on judicial review and the title or description of effect, as applicable, is amended in compliance with the order of the court, the amended title or description of effect may not be challenged.

Sec. 10. The Secretary of State shall:

- 1. Prepare a handbook for petition circulators setting forth the requirements of statute and regulation that govern the circulation of a petition for an initiative or referendum; and
- 2. Post a copy of the handbook on the Internet website of the Secretary of State in a form suitable for downloading and printing.
- Sec. 11. 1. Before presenting a petition for initiative or referendum to the registered voters for their signatures, the proponent of the petition shall file with the Secretary of State a list of all persons who will be paid to circulate the petition. The list must include the full name of each such person and the contact information required by NRS 295.0575. The proponent shall file a





current list of such circulators with the Secretary of State on or before the fifth day of each month following the initial filing until the petition is presented to the county clerks for verification.

2. If the handbook required by section 10 of this act is available, the proponent of the petition shall provide a copy of the handbook to each person who is paid to circulate the petition.

- 3. Any person who is paid to circulate the petition shall identify himself or herself as a paid circulator upon presenting a petition document for signature to a prospective signer of the petition.
 - Sec. 12. NRS 295.009 is hereby amended to read as follows:
 - 295.009 1. Each petition for initiative or referendum must:
- (a) Embrace but one subject and matters {necessarily} directly connected therewith; {and pertaining thereto;} and
- (b) Set forth, fin not more than 200 words, a description of the effect of the initiative or referendum if the initiative or referendum is approved by the voters. The description must appear on each signature page of the petition for the effect adopted by the Attorney General pursuant to sections 7, 8 and 9 of this act.
- 2. For the purposes of paragraph (a) of subsection 1, a petition for initiative or referendum embraces but one subject and matters [necessarily] directly connected therewith [and pertaining thereto,] if the parts of the proposed initiative or referendum [are functionally related and germane to each other in a way that provides sufficient notice of the general subject of, and of the interests likely to be affected by, the proposed initiative or referendum.] may logically be viewed as having a natural relation to a single dominant plan or scheme.
 - **Sec. 13.** NRS 295.012 is hereby amended to read as follows: 295.012 The number of registered voters required pursuant to:
- 1. Section 1 or 2 of Article 19 of the Nevada Constitution to propose a petition for initiative or referendum; or
 - 2. Section 4 of this act for a proposed petition,
- must be apportioned equally among the petition districts, and the number of signatures required from each petition district must be equal.
 - **Sec. 14.** NRS 295.015 is hereby amended to read as follows:
- 295.015 1. Before a petition for initiative or referendum may be presented to the registered voters for their signatures, a copy of the petition for initiative or referendum, including the *title and* description *of effect* required [pursuant to] by NRS 295.009, must be placed on file with the Secretary of State.
- 2. If a petition for initiative or referendum or [a] the title or description of [the] effect of [an] the initiative or referendum





required [pursuant to] by NRS 295.009 is amended after the petition is placed on file with the Secretary of State pursuant to subsection 1:

- (a) The revised petition must be placed on file with the Secretary of State before it is presented to the registered voters for their signatures;
- (b) Any signatures that were collected on the original petition before it was amended are not valid; and
- (c) The requirements for submission of the petition to each county clerk set forth in NRS 295.056 apply to the revised petition.
- 3. Upon receipt of a petition for initiative or referendum placed on file pursuant to subsection 1 or 2:
- (a) The Secretary of State shall consult with the Fiscal Analysis Division of the Legislative Counsel Bureau to determine if the initiative or referendum may have any anticipated financial effect on the State or local governments if the initiative or referendum is approved by the voters. If the Fiscal Analysis Division determines that the initiative or referendum may have an anticipated financial effect on the State or local governments if the initiative or referendum is approved by the voters, the Division must prepare a fiscal note that includes an explanation of any such effect.
- (b) The Secretary of State shall consult with the Legislative Counsel regarding the petition for initiative or referendum. The Legislative Counsel may provide technical suggestions regarding the petition for initiative or referendum.
- 4. Not later than 10 business days after the Secretary of State receives a petition for initiative or referendum filed pursuant to subsection 1 or 2, the Secretary of State shall post a copy of the petition, including the *title and* description *of effect* required [pursuant to] by NRS 295.009, any fiscal note prepared pursuant to subsection 3 and any suggestions made by the Legislative Counsel pursuant to subsection 3, on the Secretary of State's Internet website.

Sec. 15. NRS 295.061 is hereby amended to read as follows:

295.061 1. [Except as otherwise provided in subsection 3, whether] Whether an initiative or referendum embraces but one subject and matters [necessarily] directly connected therewith [and pertaining thereto, and the description of the effect of an initiative or referendum required pursuant to NRS 295.009,] may be challenged by filing a complaint in the First Judicial District Court not later than 15 days, Saturdays, Sundays and holidays excluded, after [a copy of the petition is placed on file with] notice of the filing of the proposed petition is given by the Secretary of State pursuant to [NRS 295.015.] subsection 2 of section 6 of this act. All affidavits and documents in support of the challenge must be filed with the complaint. Not later than 3 days after the filing of the complaint,





Saturdays, Sundays and holidays excluded, the plaintiff shall cause a copy of the complaint and all supporting affidavits and other documents to be served upon the Attorney General and the proponent of the proposed petition. The court shall set the matter for hearing not later than [15] 7 days after the complaint is filed, conduct the hearing not later than 21 days after the complaint is filed and [shall] give priority to such a complaint over all other matters pending with the court, except for criminal proceedings. The court, or any party at the direction of the court, shall promptly give written notice to the Secretary of State and Attorney General of the entry of each order or judgment entered in the proceeding.

2. The legal sufficiency of a petition for initiative or referendum may be challenged by filing a complaint in district court not later than 7 days, Saturdays, Sundays and holidays excluded, after the petition is certified as sufficient by the Secretary of State. All affidavits and documents in support of the challenge must be filed with the complaint. The court shall set the matter for hearing not later than 15 days after the complaint is filed and shall give priority to such a complaint over all other matters pending with the court, except for criminal proceedings.

[3. If a description of the effect of an initiative or referendum required pursuant to NRS 295.009 is challenged successfully pursuant to subsection 1 and such description is amended in compliance with the order of the court, the amended description may not be challenged.]

Sec. 16. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 17. This act becomes effective on July 1, 2015.





