

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Eighth Session  
February 6, 2015**

The Committee on Government Affairs was called to order by Chairman John Ellison at 8:35 a.m. on Friday, February 6, 2015, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/78th2015](http://www.leg.state.nv.us/App/NELIS/REL/78th2015). In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman John Ellison, Chairman  
Assemblyman John Moore, Vice Chairman  
Assemblyman Richard Carrillo  
Assemblywoman Victoria A. Dooling  
Assemblyman Edgar Flores  
Assemblywoman Amber Joiner  
Assemblyman Harvey J. Munford  
Assemblywoman Dina Neal  
Assemblywoman Shelly M. Shelton  
Assemblyman Stephen H. Silberkraus  
Assemblywoman Ellen B. Spiegel  
Assemblyman Lynn D. Stewart  
Assemblyman Glenn E. Trowbridge  
Assemblywoman Melissa Woodbury

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

None



**STAFF MEMBERS PRESENT:**

Jered McDonald, Committee Policy Analyst  
Eileen O'Grady, Committee Counsel  
Erin Barlow, Committee Secretary  
Cheryl Williams, Committee Assistant

**OTHERS PRESENT:**

Barbara K. Cegavske, Secretary of State, Office of the Secretary of State  
Scott W. Anderson, Chief Deputy, Office of the Secretary of State  
Beau Bennett, Management Analyst 4, Office of the Secretary of State  
Karen Michael, Business Portal Administrator, Office of the Secretary of State  
Nancy Parent, Clerk, Washoe County  
Shelley Blotter, Deputy Administrator, Employee and Management Services, Division of Human Resource Management, Department of Administration  
Peter Long, Deputy Administrator, Compensation, Classification, and Recruitment, Division of Human Resource Management, Department of Administration  
Daphne DeLeon, Administrator, Division of State Library and Archives, Department of Administration

**Chairman Ellison:**

[Roll was called. Committee rules and protocol were explained.] Right now we have a presentation by Barbara Cegavske, Secretary of State.

**Barbara K. Cegavske, Secretary of State, Office of the Secretary of State:**

I appreciate you inviting me here today to present to you an overview of the Office of the Secretary of State. [Mrs. Cegavske continued to read from written text ([Exhibit C](#)).] Slide number 8 ([Exhibit D](#)) shows a pie chart breakdown by division of the General Fund revenue collected by the Office of the Secretary of State for fiscal year 2014 [Mrs. Cegavske continued to read from written text ([Exhibit C](#)) and refer to PowerPoint presentation ([Exhibit D](#)).]

**Chairman Ellison:**

You have a full plate this session. It looks like you are really going to be busy and hitting the ground running. You are doing a good job.

**Assemblyman Munford:**

I want to extend my congratulations to Madam Secretary. I have to go back a little bit in history when I was teaching school at Bonanza High School. She

came many times to my government class and gave a presentation. I was so grateful for that. She also took it a step further, and she encouraged me to run for this office. Remember we discussed that? She said, Munford, you better do it now. Yes, it is very good to see you.

**Chairman Ellison:**

That was a good decision.

**Barbara Cegavske:**

Thank you so much, Assemblyman Munford. It was always a privilege to be in your classrooms and talk to your students. I really enjoyed it, and you were one of the few teachers who called on a regular basis. To this day I still enjoy it, and I hope to continue going to the schools to talk about civics education because I think it is so important. I want to thank you for stepping out and taking that leap and running.

**Chairman Ellison:**

Are there any other questions from the Committee?

**Assemblyman Flores:**

I have a quick question pertaining to the document preparer registration that we have now. In the form that they have to fill out, do we inquire as to their status such as whether their license has ever been revoked in any other state?

**Scott W. Anderson, Chief Deputy, Office of the Secretary of State:**

I am going to ask Beau Bennett, who is in document preparation services, to come up and answer that question if he is able. If he does not have that answer, we can get that information and forward it directly to you this afternoon.

**Barbara Cegavske:**

We do not have the answer immediately at hand, but that is a great question.

**Assemblywoman Woodbury:**

Is the "UCC" shown on the chart [page 8, ([Exhibit D](#))] the Uniform Commercial Code, and can you explain that to me?

**Scott Anderson:**

Uniform Commercial Code filings are liens on personal property that are filed with our office, where a secure party can file the right to certain property as a lender. Those are not a huge part of our office. We do about \$1.3 million to \$1.32 million worth of those every year. A person who lends money to somebody in regards to the purchase of personal property can then place

what would be a lien on that property, and that is what is registered with our office.

**Assemblywoman Spiegel:**

I have a two-part question. When a business uses Nevada as its headquarters, and they sign up to have a business here but their real operations are elsewhere, does that count as a domestic business or a foreign business?

**Scott Anderson:**

Fortunately, I have had the opportunity to be the commercial recordings deputy for 17 years, so this is my bailiwick. A good number of the entities that come to Nevada do so with no nexus in Nevada, and they cannot be Nevada entities. They choose to be Nevada entities so that they are covered by Nevada law, in certain circumstances. They do not necessarily have to be here. Foreign corporations that come to Nevada to do business are called foreign qualified businesses, and they are domiciled in their home state and are qualified to do business here. But those that do come here are considered Nevada entities.

**Assemblywoman Spiegel:**

I know that a number of years ago we had a conversation when the business license fee went from \$100 to \$200, and a number of companies threatened to pull out of Nevada. I was wondering if you had a sense of whether or not that had happened, or whether a majority of those companies stayed.

**Scott Anderson:**

We did see a significant drop, but there were any number of factors. We went from about 315,000 registered entities down to 285,000, so we had a drop of approximately 30,000 during that period around when the business license increase came on board. However, some of those might have been flight from the state and those that would not have come here, or some of them may have left the rolls because of the economy and people not renewing their licenses or going out of business. We did see a drop. We have seen some recovery. We now have between 305,000 and 306,000 entities currently on file with our office. We have made significant strides to get back to where we were in 2009.

**Barbara Cegavske:**

We have the answer to Assemblyman Flores' question.

**Beau Bennett, Management Analyst 4, Office of the Secretary of State:**

During the document preparation service application process, we only ask if they had been disbarred from practicing law in any jurisdiction, or if they had been convicted of any crime involving theft, fraud, or any dishonesty within the

last ten years, but we do not specifically ask if they had been disbarred from document preparation service in any state.

**Assemblyman Flores:**

I will speak more to this as we get into the bills, but I am familiar with document preparers and have been a huge opponent of them because of those who are predatory. I know there are some document preparers who do great things in our community and I am not speaking as to all, but I have done a lot of research on the predatory ones, and their modus operandi is that they move from state to state. They victimize communities in California, and then once they get caught there, they are in Nevada the next day, and when they get caught here, they are in New York. My concern is whether at some point they have been revoked of that authority in a different state. If they are not good enough for California or New York, they are definitely not good enough for Nevada. I just wanted to bring up that point.

**Scott Anderson:**

Assemblyman Flores, we will definitely take that under consideration. We are bringing a bill this morning regarding notaries and document preparation services, and we would be happy to work with you in regards to your concerns. There is no such provision in this current bill, but we would definitely be willing to talk to you about adding something like that.

**Assemblywoman Joiner:**

My district includes the core of Reno, which has a lot of small businesses, and I heard from some of my constituents about their complications as some of their point-of-sale systems are turning to Macintosh products. They are having difficulty with some of our state entities that they deal with in their business lives. Some of their problems are taxes they pay, some are the licensing issues. With the platform provided, they have to use Internet Explorer. My question for you is if you know if your business portal requires a certain platform. I am hearing that complaint. If not, do you consider that when you deal with the purchasing? I am hearing from folks that it is becoming more of a problem.

**Karen Michael, Business Portal Administrator, Office of the Secretary of State:**

SilverFlume was built relatively recently, so we launched in 2012, and we do support the major browsers. We work with Internet Explorer, Safari, Google Chrome, and Firefox, but we do not have all state and local agencies on board yet. There are things that a business needs to do where they still need to access other agency websites. A lot of those other agencies have legacy websites. That is where we run into some issues because if they have been able to go through SilverFlume in Safari and then they need to go to an external

website to continue whatever activity, there may be some constraints. We know that the Department of Taxation is one office that has an older website.

**Assemblywoman Joiner:**

It is great to hear that yours is more advanced than that; I appreciate it.

**Barbara Cegavske:**

We would love to work with you on any ideas or issues that concern any of the clients or people you know within the Reno area or elsewhere in the state. We are absorbing all of the comments, and we really do appreciate any input from everyone.

**Chairman Ellison:**

Are there any other Committee comments or questions? [There were none.] I thought your presentation was very good. We are going to take things out of order and go to Assembly Bill 65.

**Assembly Bill 65: Revises provisions relating to notaries public. (BDR 19-445)**

**Scott W. Anderson, Chief Deputy, Office of the Secretary of State:**

Good morning Mr. Chairman and members of the Committee. For the record, I am Scott Anderson, Chief Deputy Secretary of State representing Secretary of State Barbara Cegavske. With me today is Beau Bennett, Management Analyst 4. I am before you today to present Assembly Bill 65 relating to proposed changes to both the notary and document preparer statutes. I will address each section of the bill. [Mr. Anderson continued to read from written text (Exhibit E).]

**Assemblyman Trowbridge:**

I have a question about section 4, subsection 11 where you say that a notary cannot affix his or her stamp on a document that does not contain a notarial certificate. A lot of times I have been asked to submit notarized statements, and I simply prepare a document, go to a notary, and they stamp and sign it. Are we talking about something in addition to that, or clarifying the stamp that the notary puts with their signature, and then they stamp to verify it is indeed their signature?

**Scott Anderson:**

I will try to answer the best I can. My understanding is that any time a notary stamp is affixed to any document, we need to have that notary language also on that document. Just affixing your notary stamp to any document does not make that an officially notarized document. You still have to have that other language there.

**Assemblyman Trowbridge:**

Are we speaking about a little one-by-two inch stamp that they attach which says their name and when their commission expires? Or are we talking about something in addition to that, where they have to have a specialized form that needs to be bought at the legal forms store?

**Scott Anderson:**

I will get you that information as I do not have a sufficient answer at this point. I know the basic reasoning behind it is so that affixing a stamp without the proper language on it will not suffice as far as proper notarization of the document.

**Assemblyman Trowbridge:**

We need to find a notarized document, so I can show you what I was talking about. There must be one floating around some place in this building.

**Scott Anderson:**

We will get you that.

**Assemblywoman Neal:**

I have a question on section 1, subsection 1, paragraph (c), on line 12. I was reading about the plea of nolo contendere. When it is stated in the evidence statute, *Nevada Revised Statutes* (NRS) 48.125 regarding what is relevant evidence, it is separated by a semicolon, so this is not a withdrawn plea. It is a plea of nolo contendere; it is not admissible. I am trying to figure out how you are trying to use it, if it is not admissible as evidence, to deny an appointment.

I went back in the legislative history to look at 2007, 2003, and 1995, trying to get an understanding on where that language came from. But I did not see anything that contradicted what currently is in place saying that nolo contendere is not admissible as evidence in a criminal proceeding. You have all of those criminal proceedings listed on lines 13-15 on page 2 and lines 1-2 on page 3 of the bill. It was not civil; it was criminal.

**Beau Bennett, Management Analyst 4, Office of the Secretary of State:**

I believe the intent behind it was that no matter how they had been convicted, if they entered a plea or not, it is the conviction, to where after the fact they can come back and say yes, it was a conviction, but since I was convicted by entering the nolo contendere claim, this does not apply to me. I have not been through NRS 48.125 to match them up, so I cannot answer to that statute.

**Assemblywoman Neal:**

I just wanted clarification. We can talk about it later.

**Assemblyman Carrillo:**

My question is on page 4, line 8, in regards to NRS 240.018. It states that the Secretary of State may provide a course of study. I understand that the course of study is a requirement. My question is whether there are alternative courses that people could have access to, if the Secretary of State chose not to provide these courses.

**Scott Anderson:**

We are required to give that training, so whether we give it or someone else gives it, it still has to be provided for notaries public. This language in the specific line you mentioned makes it clear in the requirements that they have to have that course of study. The remainder of the bill allows us to hire a third party vendor to give some of the courses so that we might be able to provide additional courses other than what our office can provide with the resources that we currently have, but also to allow for online courses. This really broadens what we can do as far as the training. Regardless of what type of training it is, we are still required to provide that training, whether it is our office or someone else.

**Chairman Ellison:**

When they do these courses online, how long do they usually take?

**Scott Anderson:**

We would expect that those courses should take three hours. We are looking to reduce the time of the course from four to three hours. We would expect that the online course would take approximately the same three hours that a regular course would take. Then at the end of that course, an examination would be given online as well.

**Assemblyman Flores:**

Are all document preparers notaries public?

**Beau Bennett:**

No, they are not. There are two different registration processes.

**Assemblyman Flores:**

Understood. Since the inception of the amendments of document preparers being fined with the \$2,000 maximum penalty, how many people have actually been fined? Do we have that number?



**Beau Bennett:**

The \$2,000 applies to the notary and not the document preparation services. Regarding document preparation services, we have found 38 violations, and they are given a 15-day notice to cure. Out of those, I believe four or five have not cured, and they have received cease-and-desist letters. The next step would be to take it to the Office of the Attorney General for prosecution should they fail to cease and desist. To date, no matters have gone to that extent.

**Assemblyman Flores:**

For my final comment, I go back to the issue of the language when the Secretary of State was giving her presentation. In the bill, section 1, subsection 2 says "The Secretary of State shall not appoint as a notary public a person:" and then it describes in paragraph (b) a person "whose previous appointment as a notary public in this State has been revoked." I am not making a formal amendment, but I would like for you to entertain the possibility that if you have been revoked in any state, and you are not good enough for them, you should not be good enough for us. I will echo that same sentiment when it comes to document preparers.

**Scott Anderson:**

Those are very good points that we will take under advisement and consider putting into this bill.

**Assemblywoman Spiegel:**

Back in section 1, subsection 3, I was reading discussion about people who had crimes involving moral turpitude. I am not finding a good definition of moral turpitude on the Internet, but I seem to recall from prior sessions that there had been crimes of moral turpitude that are no longer considered to be such and even things that are no longer illegal. I was wondering what happens if someone had been convicted of something that was, at that time, moral turpitude, or would fall into that definition, but where that activity is no longer a crime. Would that person then still be prohibited from being a notary public?

**Scott Anderson:**

I think we would have to look at that on a case-by-case basis because a notary who may have been convicted of a crime that was previously considered a crime of moral turpitude but which is no longer considered to be would be able to appeal to our office. If they can show that they are not guilty of a crime of moral turpitude any longer, they would be able to make that appeal. I cannot imagine there being too many of those cases that would occur, but they could. People could appeal to our office, and we would have to take that on a case-by-case basis.

**Assemblywoman Shelton:**

I had a question about the online courses. Are those available right now, or is that something that you want to be able to look to in the future? Also, how many staff members are you talking about who work giving the tests or administering the classes?

**Scott Anderson:**

I will take the second portion of that question first. We have three staff in Carson City who administer the entire notary function in the office. We have one staff member in Las Vegas who is part of our document preparation services section that assists with some of the training in southern Nevada. Generally, a class would be administered by two staff, the administrator and someone there to help sign people in. We have a very small staff to do everything, not only registering notaries and enforcing the notary law, but also for training these notaries. It has taxed our staff significantly.

As far as the online training is concerned, we are aware that notary training services online are available in certain states. They may have to be changed somewhat to Nevada's requirements, but we are currently looking at those online classes and evaluating them. I do not see us developing those on our own because there are notary classes out there that are, for lack of a better term, canned programs. That is going to be one of the first things our new notary administrator will be looking at as far as getting our notary classes started up again.

**Assemblywoman Spiegel:**

These four people would not have to be trained in online applications because you would be looking toward the outside vendors for your online courses, which you talk about in the bill?

**Scott Anderson:**

Correct. They would have to be aware of those courses and the content of those courses because if any questions arise from class participants in regards to a class that we have offered online, they would still need to be aware of that. It would not be a class, at least at this point, that they would administer online. It would be an outside vendor.

**Assemblywoman Spiegel:**

Then you would not need an information technology (IT) person to work on your website, as far as the online courses, correct?

**Scott Anderson:**

That would depend on how it was administered, whether they would have to go through our site to get to it. There could be some minor needs, but I do not see us requiring our own IT staff specifically for this training.

**Assemblyman Moore:**

I just want to make sure I understand correctly. With an online course, or in a course anywhere for notaries, is there standardization? In other words, if I took the course here in Reno, whether in person or online, or in Las Vegas in person or online, am I going to get the same course of instruction? Is it the exact standardized course throughout the state?

**Scott Anderson:**

Currently, the courses that we provide are exactly the same whether you are in the north, the south, or Elko. We are in the process of evaluating the online courses that any third-party vendor would provide for us, and while I cannot say that they would be exactly the same, they would be substantially the same so as to ensure that any notary registered in this state was given the proper training to give proper notarial services.

**Assemblyman Moore:**

One person gets this block of instruction based on whoever may be teaching it and what they believe is important, but another person in southern Nevada is getting a different block of instruction because the instructor who is teaching it thinks that one thing is more important than another. Is that correct?

**Scott Anderson:**

We would do everything we can to make the courses as standard as possible. I do not think there is any way to guarantee that there would not be a course of discussion during class that might take you into a different subject matter that may emphasize certain points in notarial training because the classroom discussion may take it that way. Like any other course of study, I can take the same course from one semester to the next at a college, and it may be different even though the subject matter and the description are exactly the same. As far as the content is concerned, we will make sure that the content is substantially the same so the notaries get their proper training and we do not have violations.

**Assemblyman Moore:**

I would like to see the test be something more like one at the Department of Motor Vehicles (DMV). When I go to take the DMV test, it is the same question, the same answer, everything, no matter where I am. I would like to

see that with this training because it is such an important function in our society.

**Scott Anderson:**

As far as the examination is concerned, that is a different point. We can standardize the examination so that it has the same questions and is administered in the same way. Granted, it is somewhat like personnel tests here with the State of Nevada. You do not always get the same questions every time because you do not want to give everyone the answers up front. It is noted in my testimony that it is an open-book test anyway, and we want the notaries to get the information. We want them to be able to properly notarize. We will give them the information that they need.

**Chairman Ellison:**

Anyone who is here to speak in favor of Assembly Bill 65, please come forward.

**Nancy Parent, Clerk, Washoe County:**

I am here today in two capacities. The first is to speak on behalf of some of my fellow county clerks in the rural areas of our state, with regards to section 3 of the bill which will now require renewal training for notaries public every four years. The clerks and I agree that training is very important, and we support that aspect of this bill. The rural notaries are concerned about the training because right now they have to physically go to Reno or Carson City or Elko. For many of them who are the notaries public in their communities and perform that as a function within their clerk's office, it is a five-hour drive one way just to go to class. It would mean every four years, whoever is a notary in an office would have to take two days away from the office to get the training. We fully support the Secretary of State's efforts in A.B. 65 to promote the online training and the continuing education to make sure that everybody is doing things the right way. We very much look forward to working with them to get that in process.

The second reason for my being here today is that when I was reviewing this bill, I noticed a whole section in the notary public statute about electronic notaries, and I did not see a provision in section 3 of A.B. 65 that would require the same renewal training for electronic notaries. I mentioned that to the Secretary of State's Office late yesterday. We have agreed to work together to take care of that problem, and I have even given them some suggested language where we basically try to mirror exactly what is required of the traditional notaries. We support this bill insofar as it affects our offices.

**Chairman Ellison:**

I do have one question. If you do go ahead and take the exam to renew, how long does it usually take to get your renewal back? Is it instantly renewed, and can they sign it off right then and there? Your stamps do not change, right?

**Nancy Parent:**

I have been a notary for years and years, and 10 or 15 years ago I took a class just to see what laws had changed since the 1970s when I first became a notary, and I was glad that I did. I will admit that my knee-jerk reaction when I saw this bill was "Oh, no, I do not want to have to do that," but really, because of the way things are evolving and changing, I think it is a great idea. I am going to be glad to do it. Currently, you file your application, get your bond, send it in, and it takes a week or two. The Secretary of State's Office has traditionally renewed it the same day. It is a couple of weeks turnaround process. Everybody seems to prepare for it. I know every four years, a few weeks before my commission expires, I start getting things rolling, and I have never had a lapse. I imagine this will require a little more planning, and I might even take advantage of the online training because then you can get it anytime. You would not have to think six months ahead, worry about getting the training and there is no class offered, so this will really benefit us all.

**Chairman Ellison:**

Is there anyone else wishing to speak in favor of the bill? [There was no one.] Anyone in opposition? [There was no one.] Anyone here to speak as neutral? [There was no one.] There was a letter sent from the Manufactured Housing Division, Department of Business and Industry ([Exhibit F](#)); have you seen that?

**Scott Anderson:**

I have seen that. I do not think that necessarily affects the notary law itself. It is just exempting certain provisions. We still need to take a look at that and determine what our stance is. I just received it yesterday, and we are going to let our Deputy Attorney General take a look and make sure it does not really affect the administration of notaries in the state. I do not believe it does, but we wanted to make sure. We look forward to working with locals to make sure we covered those areas of concern.

**Chairman Ellison:**

At this time we are going to close the hearing on A.B. 65. We are going to open the hearing on Assembly Bill 61.

**Assembly Bill 61**: Revises provisions requiring the submission of certain reports by the Personnel Commission and the Administrator of the Division of Human Resource Management of the Department of Administration. (BDR 23-286)

[Assemblyman Moore assumed the Chair.]

**Shelley Blotter, Deputy Administrator, Employee and Management Services, Division of Human Resource Management, Department of Administration:**

I am here to bring forth testimony on Assembly Bill 61 on behalf of the Division of Human Resource Management. The purpose of this bill is to amend three statutes to remove references to the biennial reports made to the Governor. It is similar to Assembly Bill No. 15 of the 76th Session, which removed the requirement for the Department of Administration to compile and publish the biennial report and statistical abstract. [Ms. Blotter continued reading from written testimony ([Exhibit G](#)).]

**Assemblyman Trowbridge:**

Can you tell me the number of members on the Personnel Commission, how they are appointed, and what their qualifications are?

**Shelley Blotter:**

The Personnel Commission is made up of five persons, appointed by the Governor. Three represent management and two represent labor. The Administrator for the Division of Human Resource Management acts as a nonvoting member and as secretary for the Personnel Commission. The Personnel Commission is tasked with adopting regulations for personnel matters in the Executive Branch. They also hear appeals for classification disputes. If an employee was requesting a change in classification, and it had to be appealed, the Commission would be the final hearing for that. Through the Personnel Commission, we have the appointment of hearing officers who hear final decisions related to employee discipline, suspensions, terminations, demotions, and those types of things.

[Assemblyman Ellison reassumed the Chair.]

**Assemblyman Trowbridge:**

The contents of the reports that you are trying to waive are currently supposed to go to the Governor. Are records of all those actions included in the minutes of the meetings of the Personnel Commission anyway?

**Shelley Blotter:**

No, not necessarily. Right now all that Division information regarding our performance indicators, the mission, and the vision are online.

**Assemblyman Trowbridge:**

They are available? That is all I care about.

**Shelley Blotter:**

Yes, they are available to the public.

**Assemblywoman Neal:**

I have a question on section 1, subsection 2, paragraph (b) of the bill. What do the words "may deem pertinent" mean? Pertinent to what? I am trying to figure out the purpose of reporting biennially, and what you were reporting. There is similar language in section 2, on line 19 on page 3. In reading the legislative history of 1983, there seemed to be a lot going on with a huge study of your department and efficiency, and then in 2011, in trying to be more efficient, you consolidated. What are you doing now? Are you still under an efficiency action?

**Shelley Blotter:**

We are still under the efficiency action you spoke about. We are a division of the Department of Administration. That means our services related to budget and finance, as well as information technology, are performed by other divisions within the Department of Administration. We still do the core business of human resource management. That has not changed in any way from when we were a department, and now we are a division. Additionally, we had a pilot project where we took on personnel tasks for other departments within our Agency Human Resource Services. That section within the Division of Human Resource Management has actually expanded since that initial pilot project and with the consolidation into the Department of Administration. Other departments found value in having a strong human resource team working for them rather than having an individual contributor located in their department. That has not changed. The content of the biennial reports is consistent with the information you will find online now and with that other information that we provide on a quarterly basis to the Office of the Governor or that the Personnel Commission requests.

**Assemblywoman Neal:**

Was there an unnecessary cost associated with producing it in the biennium? I know it is automated now, but is there a cost measure or saving that we are gaining from this action?

**Shelley Blotter:**

When you think of the cost of personnel time, yes. We did reduce staff in that period of time, so we are looking at trying to be more efficient with the number of people that we have. If it is produced online, and we work with our partners within the Department of Administration to post that information, then it is redundant to do it again in a hard copy format.

**Assemblywoman Neal:**

I was trying to understand why you made the deletion in section 3, subsection 4. You say that you no longer have to justify the circumstances or reasons for suspending. Could you help me understand what the process typically is, and what circumstances required you to justify suspending vacancies for certain types of specific positions?

**Shelley Blotter:**

It is not about suspending vacancies. This was about suspending a competitive examination. I am going to call up my partner in this, Peter Long.

**Peter Long, Deputy Administrator, Compensation, Classification, and Recruitment, Division of Human Resource Management, Department of Administration:**

If you look at section 3, subsection 2, it says we may suspend the requirements of competitive examinations for a position requiring highly professional qualifications if past experience or current research indicates difficulty in recruitment or if the qualifications include a license or certification. With someone who has a licensing board or something like that—doctors, attorneys, social workers, engineers—we cannot administer an exam that would be any more stringent than what they already take to get that license or certification. We waive the exam and take their license as proof that they are qualified to do the job. Section 3, subsection 4 says that except for a licensure or certification, no suspension may be general in this application. We cannot just say we are going to suspend an exam for a particular job class.

The reason we are asking for the reporting requirement to be removed is because in my tenure with the division since 1997 and being an administrator over recruitment for the last 10 years, our practice is not to suspend any examination. We want to make sure that the applicants for state jobs have the basic entry-level knowledge, skills, and abilities, so we examine everyone. We have never suspended an exam, and we do not want to report something that we never have done.



**Assemblywoman Neal:**

That makes more sense. I did not understand when I was looking at your website. I was trying to figure out how we are determining if we are doing competitive examinations and this is deleting the provision, but it seems as if it was redundant because you have a licensing board that was already setting criteria and examining them and then they would come to you and have to do it twice.

**Peter Long:**

Correct, and I do not know why it was in statute other than possibly stating that we should not stop the examination process, which we never have, so we did not want to report something we had never actually done.

**Assemblywoman Neal:**

I ask that because when I started looking at the legislative history, there was a study that said the department must consistently communicate what they do with hiring practices to the Legislature so we have an understanding of what you do when you hire personnel and that is a significant action. I just wanted to get clarification on whether we were limiting or reducing our ability to communicate through the reporting mechanism on competitive examinations.

**Peter Long:**

Absolutely. I do not think our request is in any way doing that.

**Assemblyman Carrillo:**

My question is in section 1, though this is still related to the same word, "biennially." If you are taking this word out of the *Nevada Revised Statutes* (NRS) it opens up no real expectations for what we might expect for a report. What happens if that division decides not to report one quarter? What could we expect?

**Shelley Blotter:**

In section 1, subsection 2, paragraph (b), it takes out the word "biennially." That was just the timing of the report to the Governor's Office. That is all we are taking out. It does not impact any requests by the Legislature. Again, these reports are online, and they are typically timed with the legislative session so that all of our performance indicators are available to you as you are reviewing our budget, and all the other information is updated.

**Assemblyman Carrillo:**

I guess what I am looking for is the accountability piece required in that statute, NRS 284.065, if this is amended as presented in this bill.

**Shelley Blotter:**

We are required by other statutes to conform to internal audits as well as to provide all of our division information as timed by the Department of Administration for you when you meet. It does not take out anything substantial. We are still required to submit all the information.

**Assemblyman Flores:**

I wanted to go back to where you mentioned section 3, subsection 2, that by statute, presently, you may suspend. I just wanted to ask, because we are amending it to where we do not have to have a biennial report, should we be concerned in the future? I know you said in practice right now you are not suspending any of that, and it does not make sense, and we appreciate that. In the future, should we be concerned that whoever eventually will take your positions will suspend because they do not have to report, and we will have an issue with transparency?

**Peter Long:**

Section 3, subsection 2 currently gives us the authority to suspend if qualification is through a license or certification, so we are not asking for any change in that. In the proposed amendment ([Exhibit H](#)), in subsection 4 of NRS 284.320, we are proposing to remove that ability to suspend, so we would still not have the ability to suspend through the amendment. We would just not have to report it if we did.

**Assemblyman Flores:**

I apologize, I do not think I quite follow. If you could walk me through one more time? I apologize, and I apologize to my colleagues. I just do not think I follow that.

**Peter Long:**

We had originally asked the language to be removed which allowed that no suspension be general, but in our proposed amendment we added that back in, so we are not proposing that we be allowed to suspend anything.

**Assemblyman Flores:**

Understood, thank you.

**Chairman Ellison:**

Are there any other questions or comments? Is there anybody else here to testify in favor of A.B. 61? [There was no one.] Is anybody here in opposition to A.B. 61? [There was no one.] Is anybody here to testify as neutral? [There was no one.] Ms. Blotter, do you have any other closing comments?

**Shelley Blotter:**

No, I do not have any other comments, thank you.

**Chairman Ellison:**

We are going to close the hearing on A.B. 61. At this point we are going to go to the work session.

**Jered McDonald, Committee Policy Analyst:**

Before we get started, I want to mention that as a member of the Legislative Counsel Bureau, I can neither advocate nor oppose any legislation that comes before you. To get started, we have your first work session. We have one bill on the work session ([Exhibit I](#)). The bill that you have to consider is Assembly Bill 33.

**Assembly Bill 33: Changes the name of the Division of State Library and Archives of the Department of Administration. (BDR 33-318)**

Assembly Bill 33 changes the name of the Division of State Library and Archives of the Department of Administration. It was heard in this Committee on February 3. To briefly summarize, A.B. 33 changes the name of the Division of State Library and Archives to the Division of State Library, Archives and Public Records. As you may recall, the bill sponsor indicated that the name change was needed to account for increased responsibilities related to public records. For your reference, if you would like to go back, the bill that increased some of their responsibility was Assembly Bill No. 31 of the 77th Session.

**Chairman Ellison:**

You have heard the contents of the bill. Do I have a motion to accept or deny?

**Assemblyman Carrillo:**

I had a question. During the testimony one of my colleagues asked about new stationery, paperwork, and business cards, and we learned that they would be used up and that way there would be no expense. When I drive in every morning, I pass by the library, and one thing that I noticed was the signage. Is that going to be an expense? As little as it may be, it is still something to think about. I do not know if that would be part of your budget later on for changing outside signs, inside signs, and so on. Is that taken into account?

**Daphne DeLeon, Administrator, Division of State Library and Archives, Department of Administration:**

You are correct. When you drive by, you can see it is titled the Nevada State Library and Archives building. When we were merged with the Department of Administration in the 2011 Session, we were no longer the sole occupant of the

building. The building is the Nevada State Library and Archives building, and it will remain that way because we are just one of the occupants in that building. The bill that you have before you is to change the name of our agency, and our agency name is separate and distinct from the name of our building. We do not expect any additional costs, which would be substantial if we had to change the name of the building.

**Assemblyman Carrillo:**

That is what I needed to know.

**Chairman Ellison:**

Would anyone like to entertain a motion?

ASSEMBLYMAN TROWBRIDGE MOVED TO DO PASS  
ASSEMBLY BILL 33.

ASSEMBLYMAN STEWART SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblyman Moore, would you like to do the very first floor statement?

**Assemblyman Moore:**

Yes, I would be honored.

**Chairman Ellison:**

I would like to address one thing that will be coming up. We are going to have Senate Bill 119 coming up probably sometime next week. I would like to ask that we have nothing else on the agenda. That bill involves the prevailing wage exemption for construction of educational facilities and the issuance of school bonds. This is going to be a long bill hearing. The other day they had about 400 to 600 people in the facility, so we are going to have to start early, probably 8 a.m. Just to give you a heads up, it is coming, and plan on being here up until the time we go to floor session. Are there any other comments? [There were none]. The meeting is adjourned [at 10:09 a.m.].

RESPECTFULLY SUBMITTED:

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Erin Barlow  
Committee Secretary

APPROVED BY:

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Assemblyman John Ellison, Chairman

DATE: \_\_\_\_\_

## **EXHIBITS**

**Committee Name:** Committee on Government Affairs

**Date:** February 6, 2015

**Time of Meeting:** 8:35 a.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
	C	Barbara K. Cegavske / Secretary of State	Testimony
	D	Barbara K. Cegavske / Secretary of State	PowerPoint Presentation
	E	Scott W. Anderson / Chief Deputy / Office of the Secretary of State	Testimony
A.B. 65	F	Diane O'Connor / Manufactures Housing Division	Email
A.B. 61	G	Shelley Blotter / Division of Human Resources Management	Testimony prepared by Lee-Ann Easton from Division of Human Resource Management
A.B. 61	H	Peter Long / Division of Human Resources Management	Proposed amendment prepared by Lee-Ann Easton
A.B. 33	I	Jered McDonald / Legislative Counsel Bureau	Work Session Document