

ASSEMBLY BILL NO. 33—COMMITTEE
ON GOVERNMENT AFFAIRS

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

PREFILED NOVEMBER 16, 2018

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the governance and oversight of information services for state agencies. (BDR 19-192)

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

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

AN ACT relating to information services; creating the Office of the Chief Information Officer of the Department of Administration; transferring the Division of Enterprise Information Technology Services' membership on certain committees, boards, councils and commissions to the Office of the Chief Information Officer; changing the name of the Office of Information Security of the Division of Enterprise Information Technology Services to the Division of Information Security of the Office of the Chief Information Officer; placing the Division of Enterprise Information Technology Services and the Division of Information Security within the Office of the Chief Information Officer; creating the Information Technology Oversight Committee; transferring certain responsibilities from the Division of Enterprise Information Technology Services to the Office of the Chief Information Officer; restructuring the membership of the Information Technology Advisory Board; and providing other matters properly relating thereto.



Legislative Counsel's Digest:

Existing law recognizes the Division of Enterprise Information Technology Services of the Department of Administration as the paramount information technology and service provider of the State. (Chapter 242 of NRS) **Section 7** of this bill creates the Office of the Chief Information Officer to serve as the principal information technology and service provider of the State.

Section 39 of this bill creates the Office of the Chief Information Officer within the Department of Administration. (NRS 232.213)

Under existing law, the Division of Enterprise Information Technology Services is composed of three subparts: (1) the Office of Information Security; (2) the Enterprise Applications Services Unit; and (3) the Communication and Computing Unit. (NRS 242.080) **Sections 7 and 14** of this bill remove the Office of Information Security from the control of the Division of Enterprise Information Technology Services, rename it the Division of Information Security, make it a division parallel to the Division of Enterprise Information Technology Services and place both divisions under the control of the Office of the Chief Information Officer.

Existing law requires the Chief of the Office of Information Security to report to the Administrator of the Division of Enterprise Information Technology Services and for the Administrator to report to the Director of the Department of Administration. (NRS 242.080, 242.090) **Sections 7 and 8** of this bill create the Office of the Chief Information Officer and require the Governor to appoint the Chief Information Officer to serve as the highest information technology officer of the State. **Section 8** requires the Chief of the Division of Information Security to report to the Chief Information Officer. **Sections 15 and 41** of this bill require that the Administrator of the Division of Enterprise Information Technology Services report to the Chief Information Officer. **Section 8** requires that the Chief Information Officer report to the Director of the Department of Administration.

Existing law requires the Director of the Department of Administration to appoint the Administrator of the Division of Enterprise Information Technology Services who, in turn, must appoint the Chief of the Office of Information Security. (NRS 232.215, 242.101) **Sections 8 and 15** of this bill require the Chief Information Officer to appoint both the Administrator of the Division of Enterprise Information Technology Services and the Chief of the Division of Information Security. **Section 38** of this bill removes the Governor's authority to appoint the Administrator of the Division of Enterprise Information Technology Services as the Chief Information Officer of the State. (NRS 223.085)

Existing law provides the Administrator of the Division of Enterprise Information Technology Services, or the Division itself, with certain administrative duties regarding the State's information services. (NRS 232.217, 232.219, 242.071-242.115, 242.131, 242.135, 242.151, 242.171-242.183, 242.211, 284.172, 439.942, 480.924, 480.926, 603A.215, 603A.217) **Sections 13-19, 23, 24-32, 40, 42-45 and 48-53** of this bill make conforming changes to transfer various administrative duties regarding information services from the Administrator of the Division of Enterprise Information Technology Services to the Chief Information Officer of the Office of the Chief Information Officer, or respectively transferring the duties from the Division to the Office.

Existing law exempts the Administrator of the Division of Enterprise Information Technology Services from liability for certain crimes relating to a computer, system or network when performing testing on information systems of equipment and services of the Division. **Section 34** of this bill expands the exemption to include the Chief of the Division of Information Security and the Chief Information Officer of the Office of the Chief Information Officer.

Existing law provides for the Administrator of the Division of Enterprise Information Technology Services, or representatives of the Division, to serve as a



member of the Committee to Approve Schedules for the Retention and Disposition of Official State Records, the Subcommittee on Criminal Justice Information Sharing, the Technological Crime Advisory Board, the Commission on Educational Technology and the Telecommunications Advisory Council. (NRS 176.01249, 205A.040, 239.073, 388.790, 408.55028) **Sections 1, 33, 35, 46 and 47** of this bill replace such memberships of the Administrator, or the Division's representative, with the Chief Information Officer or the Office of the Chief Information Officer, as applicable. Additionally, **sections 36 and 37** of this bill transfer the Administrator's duties on the Technology Crime Advisory Board to the Chief Information Officer.

Under existing law, the Information Technology Advisory Board is composed of 11 members, including: (1) 2 representatives of agencies which are major users of the services of the Division of Enterprise Information Technology Services; (2) the Director of the Department of Administration; and (3) the Attorney General. (NRS 242.122) **Section 20** of this bill restructures the membership of the Board by eliminating these members so that the Board consists of seven members appointed by the Governor, a member appointed by the Majority Floor Leader of the Senate from the Senate Standing Committee on Finance and a member appointed by the Speaker of the Assembly from the Assembly Standing Committee on Ways and Means. Existing law requires that the Board advise the Division and review the Division's plans and budgets. (NRS 242.124) **Section 21** of this bill instead requires the Board to advise the Governor and the Chief Information Officer and to review the plans and budgets of the Office of the Chief Information Officer.

Section 9 of this bill creates the Information Technology Oversight Committee. **Section 10** of this bill requires the Committee to provide oversight on, assess and review the State's information technology investments, initiatives and improvements, and provide advice to the Governor and the Chief Information Officer regarding such matters. **Section 2** of this bill provides that the Committee is exempt from the open meeting requirements of chapter 241 of NRS.

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

Section 1. NRS 239.073 is hereby amended to read as follows:
239.073 1. The Committee to Approve Schedules for the Retention and Disposition of Official State Records, consisting of six members, is hereby created.

2. The Committee consists of:

- (a) The Secretary of State;
- (b) The Attorney General;
- (c) The Director of the Department of Administration;
- (d) The State Library, Archives and Public Records Administrator;

(e) The ~~Administrator of the Division of Enterprise Information Technology Services~~ **Chief Information Officer of the Office of the Chief Information Officer** of the Department of Administration; and

(f) One member who is a representative of the general public appointed by the Governor.



1 ➤ All members of the Committee, except the representative of the
2 general public, are ex officio members of the Committee.

3 3. The Secretary of State or a person designated by the
4 Secretary of State shall serve as Chair of the Committee. The State
5 Library, Archives and Public Records Administrator shall serve as
6 Secretary of the Committee and prepare and maintain the records of
7 the Committee.

8 4. The Committee shall meet at least quarterly and may meet
9 upon the call of the Chair.

10 5. An ex officio member of the Committee may designate a
11 person to represent the ex officio member at any meeting of the
12 Committee. The person designated may exercise all the duties,
13 rights and privileges of the member that the person represents.

14 6. The Committee may adopt rules and regulations for its
15 management.

16 **Sec. 2.** NRS 241.016 is hereby amended to read as follows:

17 241.016 1. The meetings of a public body that are quasi-
18 judicial in nature are subject to the provisions of this chapter.

19 2. The following are exempt from the requirements of this
20 chapter:

21 (a) The Legislature of the State of Nevada.

22 (b) Judicial proceedings, including, without limitation,
23 proceedings before the Commission on Judicial Selection and,
24 except as otherwise provided in NRS 1.4687, the Commission on
25 Judicial Discipline.

26 (c) Meetings of the State Board of Parole Commissioners when
27 acting to grant, deny, continue or revoke the parole of a prisoner or
28 to establish or modify the terms of the parole of a prisoner.

29 3. Any provision of law, including, without limitation, NRS
30 91.270, 219A.210, 228.495, 239C.140, 281A.350, 281A.690,
31 281A.735, 281A.760, 284.3629, 286.150, 287.0415, 287.04345,
32 287.338, 288.220, 289.387, 295.121, 360.247, 388.261, 388A.495,
33 388C.150, 388G.710, 388G.730, 392.147, 392.467, 394.1699,
34 396.3295, 433.534, 435.610, 463.110, 622.320, 622.340, 630.311,
35 630.336, 631.3635, 639.050, 642.518, 642.557, 686B.170,
36 696B.550, 703.196 and 706.1725, **and section 9 of this act** which:

37 (a) Provides that any meeting, hearing or other proceeding is not
38 subject to the provisions of this chapter; or

39 (b) Otherwise authorizes or requires a closed meeting, hearing
40 or proceeding,

41 ➤ prevails over the general provisions of this chapter.

42 4. The exceptions provided to this chapter, and electronic
43 communication, must not be used to circumvent the spirit or letter of
44 this chapter to deliberate or act, outside of an open and public



meeting, upon a matter over which the public body has supervision, control, jurisdiction or advisory powers.

Sec. 3. Chapter 242 of NRS is hereby amended by adding thereto the provisions set forth as sections 4 to 10, inclusive, of this act.

Sec. 4. *“Chief Information Officer” means the Chief Information Officer appointed pursuant to section 8 of this act.*

Sec. 5. *“Committee” means the Information Technology Oversight Committee created by section 9 of this act.*

Sec. 6. *“Office” means the Office of the Chief Information Officer of the Department created by section 7 of this act.*

Sec. 7. 1. *The Office of the Chief Information Officer of the Department is hereby created.*

2. *The Office consists of the Chief Information Officer and the:*

(a) Division of Information Security.

(b) Division of Enterprise Information Technology Services.

Sec. 8. *The Chief Information Officer:*

1. Is the highest information technology officer of the State.

2. Serves at the pleasure of, and is responsible to, the Director of the Department.

3. Must be appointed by the Governor.

4. May form committees to establish standards and determine criteria for the evaluation of policies relating to information services.

5. For the purpose of ensuring the impartial selection of personnel on the basis of merit, may fill all positions in the Office, with the exception of the professional persons employed for part-time duties, from the classified service of the State.

6. Shall appoint a Chief of the Division of Information Security who is in the classified service of the State. The Chief of the Division of Information Security shall serve at the pleasure of, and is responsible to, the Chief Information Officer.

7. Shall administer the provisions of this chapter and other provisions of law relating to the duties of the Office.

8. Shall carry out other duties and exercise other powers specified by law.

Sec. 9. 1. *The Information Technology Oversight Committee, consisting of nine members, is hereby created. The Committee consists of:*

(a) The Director of the Department;

(b) The Director of the Office of Finance;

(c) The Chief Information Officer;

(d) The Chief of the Division of Information Security; and



(e) Five members appointed by the Governor, all of whom must be the director of an executive branch agency or the equivalent official of such an agency.

➔ All members of the Committee, except those members appointed by the Governor, are ex officio members of the Committee.

2. With the prior approval of the Chair, an ex officio member of the Committee may designate a person to represent the ex officio member at any meeting of the Committee. Such a designee:

(a) Must represent senior leadership at his or her agency as a decision maker to support the needs of the agency and the goals of the Committee; and

(b) May exercise all duties, rights and privileges of the member that the designee represents.

3. The Director of the Department of Administration shall serve as Chair of the Committee.

4. The Chief Information Officer and the Chief of the Division of Information Security shall:

(a) Serve as nonvoting members of the Committee.

(b) Provide expert advice to the Committee.

5. Any meeting, proceeding or deliberation conducted by the Committee, or its respective subcommittee, is not subject to any provision of chapter 241 of NRS.

Sec. 10. 1. The duties and responsibilities of the Committee include:

(a) Aligning the State's enterprise information technology investments with statewide business strategy to enable agencies to achieve their goals and serve the State.

(b) Assessing and approving the State's major information technology-related projects and technology architecture decisions.

(c) Assessing whether the State's information technology programs effectively support the State's business objectives and strategies.

(d) Reviewing and prioritizing the State's major information technology investments.

(e) Providing oversight on all of the State's major information technology initiatives.

(f) Evaluating the health and status of the State's major ongoing information technology projects and direct corrective actions as needed.

(g) Assessing the State's cybersecurity risks and reviewing the State's management efforts to monitor and mitigate such risks.

(h) Advising the Governor and the Chief Information Officer.

2. The Committee:



(a) *Shall meet at least once every 3 months and may meet at such further times as deemed necessary by the Chair of the Committee.*

(b) *May form subcommittees and delegate its authority to such subcommittees.*

(c) *May adopt rules and regulations for its management.*

(d) *Has such powers and duties as prescribed by law.*

Sec. 11. NRS 242.011 is hereby amended to read as follows:

242.011 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 242.013 to 242.068, inclusive, *and sections 4, 5 and 6 of this act* have the meanings ascribed to them in those sections.

Sec. 12. NRS 242.013 is hereby amended to read as follows:

242.013 "Administrator" means the Administrator of the Division ~~{}~~ *of Enterprise Information Technology Services.*

Sec. 13. NRS 242.071 is hereby amended to read as follows:

242.071 1. The Legislature hereby determines and declares that the creation of the ~~{Division of Enterprise Information Technology Services of the Department of Administration}~~ *Office* is necessary for the coordinated, orderly and economical processing of information in State Government, to ensure economical use of information systems and to prevent the unnecessary proliferation of equipment and personnel among the various state agencies.

2. The purposes of the ~~{Division}~~ *Office* are:

(a) To perform information services for state agencies.

(b) To provide technical advice but not administrative control of the information systems within the state agencies and, as authorized, of local governmental agencies.

Sec. 14. NRS 242.080 is hereby amended to read as follows:

242.080 1. The Division of Enterprise Information Technology Services of the ~~{Department}~~ *Office* is hereby created.

2. The Division consists of the Administrator and the:

(a) Enterprise Application Services Unit.

(b) Communication and Computing Unit.

~~{(c) Office of Information Security.}~~

3. A Communications Group and a Telecommunications Group are hereby created within the Communication and Computing Unit of the Division.

Sec. 15. NRS 242.090 is hereby amended to read as follows:

242.090 1. The ~~{Director of the Department}~~ *Chief Information Officer* shall appoint the Administrator in the unclassified service of the State.

2. The Administrator:

(a) Serves at the pleasure of, and is responsible to, the ~~{Director of the Department.}~~ *Chief Information Officer.*



(b) Shall not engage in any other gainful employment or occupation.

Sec. 16. NRS 242.101 is hereby amended to read as follows:

242.101 1. The Administrator shall:

(a) ~~Appoint the Chief of the Office of Information Security who is in the classified service of the State;~~

~~(b)~~ *Ensure that the Division of Enterprise Information Technology Services' technologies are used efficiently, profitably and securely.*

(b) Develop technical aspects of the Division to ensure alignment with its goals.

(c) Explore and implement new technologies that yield strategic advantages for the Division.

(d) Evaluate and implement new systems and new infrastructure for the Division.

(e) Monitor the Division's information technology performance measures and budget to assess technological performance.

(f) Oversee Division staff and operations.

(g) Administer the provisions of this chapter and other provisions of law relating to the duties of the Division. ~~and~~

~~(e)~~ *(h) Carry out other duties and exercise other powers specified by law.*

2. ~~The~~ *At the direction of the Chief Information Officer, the Administrator may collaborate with the Chief Information Officer to form committees to establish standards and determine criteria for evaluation of policies relating to informational services.*

Sec. 17. NRS 242.105 is hereby amended to read as follows:

242.105 1. Except as otherwise provided in subsection 3, records and portions of records that are assembled, maintained, overseen or prepared by the Division *of Information Security* to mitigate, prevent or respond to acts of terrorism, the public disclosure of which would, in the determination of the ~~Administrator,~~ *Chief Information Officer*, create a substantial likelihood of threatening the safety of the general public are confidential and not subject to inspection by the general public to the extent that such records and portions of records consist of or include:

(a) Information regarding the infrastructure and security of information systems, including, without limitation:

(1) Access codes, passwords and programs used to ensure the security of an information system;

(2) Access codes used to ensure the security of software applications;



(3) Procedures and processes used to ensure the security of an information system; and

(4) Plans used to re-establish security and service with respect to an information system after security has been breached or service has been interrupted.

(b) Assessments and plans that relate specifically and uniquely to the vulnerability of an information system or to the measures which will be taken to respond to such vulnerability, including, without limitation, any compiled underlying data necessary to prepare such assessments and plans.

(c) The results of tests of the security of an information system, insofar as those results reveal specific vulnerabilities relative to the information system.

2. The ~~{Administrator}~~ *Chief Information Officer* shall maintain or cause to be maintained a list of each record or portion of a record that the ~~{Administrator}~~ *Chief Information Officer* has determined to be confidential pursuant to subsection 1. The list described in this subsection must be prepared and maintained so as to recognize the existence of each such record or portion of a record without revealing the contents thereof.

3. At least once each biennium, the ~~{Administrator}~~ *Chief Information Officer* shall review the list described in subsection 2 and shall, with respect to each record or portion of a record that the ~~{Administrator}~~ *Chief Information Officer* has determined to be confidential pursuant to subsection 1:

(a) Determine that the record or portion of a record remains confidential in accordance with the criteria set forth in subsection 1;

(b) Determine that the record or portion of a record is no longer confidential in accordance with the criteria set forth in subsection 1; or

(c) If the ~~{Administrator}~~ *Chief Information Officer* determines that the record or portion of a record is obsolete, cause the record or portion of a record to be disposed of in the manner described in NRS 239.073 to 239.125, inclusive.

4. ~~{On or before February 15 of each year, the Administrator}~~ *Upon the request of the Director of the Legislative Counsel Bureau, the Chief Information Officer* shall:

(a) Prepare a report setting forth a detailed description of each record or portion of a record determined to be confidential pursuant to this section, if any, accompanied by an explanation of why each such record or portion of a record was determined to be confidential; and

(b) Submit a copy of the report to the Director of the Legislative Counsel Bureau for transmittal to:



(1) If the Legislature is in session, the standing committees of the Legislature which have jurisdiction of the subject matter; or

(2) If the Legislature is not in session, the Legislative Commission.

5. As used in this section, "act of terrorism" has the meaning ascribed to it in NRS 239C.030.

Sec. 18. NRS 242.111 is hereby amended to read as follows:

242.111 The ~~{Administrator}~~ **Chief Information Officer** shall adopt regulations necessary for the administration of this chapter, including:

1. The policy for the information systems of the Executive Branch of Government, excluding the Nevada System of Higher Education and the Nevada Criminal Justice Information System, as that policy relates, but is not limited, to such items as standards for systems and programming and criteria for selection, location and use of information systems to meet the requirements of state agencies and officers at the least cost to the State;

2. The procedures of the ~~{Division,}~~ **Office** in providing information services, which may include provision for the performance, by an agency which uses the services or equipment of the ~~{Division,}~~ **Office**, of preliminary procedures, such as data recording and verification, within the agency;

3. The effective administration of the ~~{Division,}~~ **Office**, including, without limitation, security to prevent unauthorized access to information systems and plans for the recovery of systems and applications after they have been disrupted;

4. The development of standards to ensure the security of the information systems of the Executive Branch of Government; and

5. Specifications and standards for the employment of all personnel of the ~~{Division,}~~ **Office**.

Sec. 19. NRS 242.115 is hereby amended to read as follows:

242.115 1. Except as otherwise provided in subsection 2, the ~~{Administrator}~~ **Chief Information Officer** shall:

(a) Develop policies and standards for the information systems of the Executive Branch of Government;

(b) Coordinate the development of a biennial state plan for the information systems of the Executive Branch of Government;

(c) Develop guidelines to assist state agencies in the development of short- and long-term plans for their information systems; and

(d) Develop guidelines and procedures for the procurement and maintenance of the information systems of the Executive Branch of Government.

2. This section does not apply to the Nevada System of Higher Education or the Nevada Criminal Justice Information System used



to provide support for the operations of law enforcement agencies in this State.

Sec. 20. NRS 242.122 is hereby amended to read as follows:

242.122 1. There is hereby created an Information Technology Advisory Board. The Board consists of:

(a) One member appointed by the Majority Floor Leader of the Senate from the membership of the Senate Standing Committee on Finance.

(b) One member appointed by the Speaker of the Assembly from the membership of the Assembly Standing Committee on Ways and Means.

~~(c) Two representatives of using agencies which are major users of the services of the Division. The Governor shall appoint the two representatives. Each such representative serves for a term of 4 years. For the purposes of this paragraph, an agency is a "major user" if it is among the top five users of the services of the Division, based on the amount of money paid by each agency for the services of the Division during the immediately preceding biennium.~~

~~— (d) The Director of the Department or his or her designee.~~

~~— (e) The Attorney General or his or her designee.~~

~~— (f) Five~~ **Seven** persons appointed by the Governor as follows:

(1) Three persons who represent a city or county in this State, at least one of whom is engaged in information technology or information security; and

(2) ~~Two~~ **Four** persons who represent the information technology industry but who:

(I) Are not employed by this State;

(II) Do not hold any elected or appointed office in State Government;

(III) Do not have an existing contract or other agreement to provide information services, systems or technology to an agency of this State; and

(IV) Are independent of and have no direct or indirect pecuniary interest in a corporation, association, partnership or other business organization which provides information services, systems or technology to an agency of this State.

2. Each person appointed pursuant to paragraph ~~(f)~~ (c) of subsection 1 serves for a term of 4 years. No person so appointed may serve more than 2 consecutive terms.

3. At the first regular meeting of each calendar year, the members of the Board shall elect a Chair by majority vote.

Sec. 21. NRS 242.124 is hereby amended to read as follows:

242.124 ~~(1)~~ The Board shall:

~~(a)~~ **1.** Advise the ~~Division~~ **Governor and the Chief Information Officer** concerning issues relating to information



technology, including, without limitation, the development, acquisition, consolidation and integration of, and policies, planning and standards for, information technology.

~~{(b)}~~ 2. Periodically review the ~~{Division's}~~ *Office's* statewide strategic plans and standards manual for information technology.

~~{(c)}~~ 3. Review the ~~{Division's}~~ *Office's* proposed budget before its submission to the Budget Division of the Office of Finance created by NRS 223.400.

~~{2. The Board may:~~

~~—(a) With the consent of the Division, recommend}~~

4. *Recommend* goals and objectives for the ~~{Division,}~~ *Office*, including periods and deadlines in which to achieve those goals and objectives.

~~{(b) Upon request by a using agency, review issues and policies concerning information technology to resolve disputes with the Division.~~

~~—(c)}~~

5. *Review and make recommendations for the State's major technology investments.*

6. Review the plans for information technology of each using agency.

Sec. 22. NRS 242.125 is hereby amended to read as follows:

242.125 Regulations, policies, standards and guidelines adopted pursuant to the provisions of this chapter must be developed after consultation and coordination with state agencies that are not required to use the services or equipment of the Division ~~{}~~ *of Enterprise Information Technology Services.*

Sec. 23. NRS 242.131 is hereby amended to read as follows:

242.131 1. The Division *of Enterprise Information Technology Services* shall provide state agencies and elected state officers with all their required design of information systems. All agencies and officers must use those services and equipment, except as otherwise provided in subsection 2.

2. The following agencies may negotiate with the ~~{Division}~~ *Office* for ~~{its}~~ *the Division's* services or the use of its equipment, subject to the provisions of this chapter, and the Division shall provide those services and the use of that equipment as may be mutually agreed:

(a) The Court Administrator;

(b) The Department of Motor Vehicles;

(c) The Department of Public Safety;

(d) The Department of Transportation;

(e) The Employment Security Division of the Department of Employment, Training and Rehabilitation;

(f) The Department of Wildlife;



(g) The Housing Division of the Department of Business and Industry;

(h) The Legislative Counsel Bureau;

(i) The State Controller;

(j) The Nevada Gaming Control Board and Nevada Gaming Commission; and

(k) The Nevada System of Higher Education.

3. Any state agency or elected state officer who uses the services of the Division and desires to withdraw substantially from that use must apply to the ~~{Administrator}~~ **Chief Information Officer** for approval. The application must set forth justification for the withdrawal. If the ~~{Administrator}~~ **Chief Information Officer** denies the application, the agency or officer must:

(a) If the Legislature is in regular or special session, obtain the approval of the Legislature by concurrent resolution.

(b) If the Legislature is not in regular or special session, obtain the approval of the Interim Finance Committee. The ~~{Administrator}~~ **Chief Information Officer** shall, within 45 days after receipt of the application, forward the application together with his or her recommendation for approval or denial to the Interim Finance Committee. The Interim Finance Committee has 45 days after the application and recommendation are submitted to its Secretary within which to consider the application. Any application which is not considered by the Committee within the 45-day period shall be deemed approved.

4. If the demand for services or use of equipment exceeds the capability of the Division to provide them, the Division may contract with other agencies or independent contractors to furnish the required services or use of equipment and is responsible for the administration of the contracts.

Sec. 24. NRS 242.135 is hereby amended to read as follows:

242.135 1. The ~~{Administrator}~~ **Chief Information Officer** may recommend to the Governor that a state agency or elected officer that is required to use the ~~{Division's}~~ **Division of Enterprise Information Technology Services'** equipment or services be authorized to employ one or more persons to provide information services exclusively for the agency or officer if:

(a) The ~~{Administrator}~~ **Chief Information Officer** finds that it is in the best interests of the State to authorize the employment by the agency or elected officer;

(b) The agency or elected officer agrees to provide annually to the ~~{Division}~~ **Office** sufficient information to determine whether the authorized employment continues to be in the best interests of the State; and



(c) The agency or elected officer agrees to ensure that the person or persons employed comply with the provisions of this chapter and the regulations adopted thereunder.

2. The ~~{Administrator}~~ *Chief Information Officer* may recommend to the Governor the revocation of the authority of a state agency or elected officer to employ a person or persons pursuant to subsection 1 if the ~~{Administrator}~~ *Chief Information Officer* finds that the person or persons employed have not complied with the provisions of this chapter or the regulations adopted thereunder.

Sec. 25. NRS 242.141 is hereby amended to read as follows:

242.141 To facilitate the economical processing of data throughout the State Government, the Division *of Enterprise Information Technology Services* may provide service for agencies not under the control of the Governor, upon the request of any such agency. The Division may provide services, including, without limitation, purchasing services, to a local governmental agency upon request, if provision of such services will result in reduced costs to the State for equipment and services.

Sec. 26. NRS 242.151 is hereby amended to read as follows:

242.151 The ~~{Administrator}~~ *Chief Information Officer* shall advise the using agencies regarding:

1. The policy for information services of the Executive Branch of Government, as that policy relates, but is not limited, to such items as standards for systems and programming and criteria for the selection, location and use of information systems in order that the requirements of state agencies and officers may be met at the least cost to the State;

2. The procedures in performing information services; and

3. The effective administration and use of the computer facility, including security to prevent unauthorized access to data and plans for the recovery of systems and applications after they have been disrupted.

Sec. 27. NRS 242.161 is hereby amended to read as follows:

242.161 1. All equipment of an agency or elected state officer which is owned or leased by the State must be under the managerial control of the Division ~~{}~~ *of Enterprise Information Technology Services*, except the equipment of the agencies and officers specified in subsection 2 of NRS 242.131.

2. The Division may permit an agency which is required to use such equipment to operate it on the agency's premises.

Sec. 28. NRS 242.171 is hereby amended to read as follows:

242.171 1. The ~~{Division}~~ *Office* is responsible for:

(a) The applications of information systems;

(b) Designing and placing those information systems in operation;



(c) Any application of an information system which it furnishes to state agencies and officers after negotiation; and

(d) The security validation, testing, including, without limitation, penetration testing, and continuous monitoring of information systems,

➤ for using agencies and for state agencies and officers which use the equipment or services of the Division *of Enterprise Information Technology Services* pursuant to subsection 2 of NRS 242.131.

2. The Administrator shall review and approve or disapprove, pursuant to standards for justifying cost, any application of an information system having an estimated developmental cost of \$50,000 or more. No using agency may commence development work on any such applications until approval and authorization have been obtained from the Administrator.

3. As used in this section, "penetration testing" means a method of evaluating the security of an information system or application of an information system by simulating unauthorized access to the information system or application.

Sec. 29. NRS 242.181 is hereby amended to read as follows:

242.181 1. Any state agency or elected state officer which uses the equipment or services of the Division *of Enterprise Information Technology Services* shall adhere to the regulations, standards, practices, policies and conventions of the Division.

2. Each state agency or elected state officer described in subsection 1 shall report any suspected incident of:

(a) Unauthorized access to an information system or application of an information system of the Division used by the state agency or elected state officer; and

(b) Noncompliance with the regulations, standards, practices, policies and conventions of the Division that is identified by the Division as security-related,

➤ to the ~~{Office}~~ *Division* of Information Security of the ~~{Division}~~ *Office* within 24 hours after discovery of the suspected incident. If the ~~{Office}~~ *Division of Information Security* determines that an incident of unauthorized access or noncompliance occurred, the ~~{Office}~~ *Division of Information Security* shall immediately report the incident to the ~~{Administrator.}~~ *Chief Information Officer*. The ~~{Administrator.}~~ *Chief Information Officer* shall assist in the investigation and resolution of any such incident.

3. The Division *of Enterprise Information Technology Services* shall provide services to each state agency and elected state officer described in subsection 1 uniformly with respect to degree of service, priority of service, availability of service and cost of service.



Sec. 30. NRS 242.183 is hereby amended to read as follows:

242.183 1. The Chief of the ~~{Office}~~ **Division** of Information Security shall investigate and resolve any breach of an information system of a state agency or elected officer that uses the equipment or services of the Division **of Enterprise Information Technology Services** or an application of such an information system or unauthorized acquisition of computerized data that materially compromises the security, confidentiality or integrity of such an information system.

2. The ~~{Administrator}~~ **Chief Information Officer** or ~~the~~ Chief of the ~~{Office}~~ **Division** of Information Security, at his or her discretion, may inform members of the Technological Crime Advisory Board created by NRS 205A.040, the Nevada Commission on Homeland Security created by NRS 239C.120 and the Information Technology Advisory Board created by NRS 242.122 of any breach of an information system of a state agency or elected officer or application of such an information system or unauthorized acquisition of computerized data that materially compromises the security, confidentiality or integrity of such an information system.

Sec. 31. NRS 242.191 is hereby amended to read as follows:

242.191 1. Except as otherwise provided in subsection 3, the amount receivable from a state agency or officer or local governmental agency which uses the services of the Division **of Enterprise Information Technology Services** must be determined by the Administrator in each case and include:

(a) The annual expense, including depreciation, of operating and maintaining the Communication and Computing Unit, distributed among the agencies in proportion to the services performed for each agency.

(b) A service charge in an amount determined by distributing the monthly installment for the construction costs of the computer facility among the agencies in proportion to the services performed for each agency.

2. The Administrator shall prepare and submit monthly to the state agencies and officers and local governmental agencies for which services of the Division have been performed an itemized statement of the amount receivable from each state agency or officer or local governmental agency.

3. The Administrator may authorize, if in his or her judgment the circumstances warrant, a fixed cost billing, including a factor for depreciation, for services rendered to a state agency or officer or local governmental agency.



Sec. 32. NRS 242.211 is hereby amended to read as follows:

242.211 1. The Fund for Information Services is hereby created as an internal service fund. Money from the Fund must be paid out on claims as other claims against the State are paid. The claims must be made in accordance with budget allotments and are subject to postaudit examination and approval.

2. All operating, maintenance, rental, repair and replacement costs of equipment and all salaries of personnel assigned to the ~~{Division}~~ **Office** must be paid from the Fund.

3. Each agency using the services of the ~~{Division}~~ **Office** shall pay a fee for that use to the Fund, which must be set by the ~~{Administrator}~~ **Chief Information Officer** in an amount sufficient to reimburse the ~~{Division}~~ **Office** for the entire cost of providing those services, including overhead. Each using agency shall budget for those services. All fees, proceeds from the sale of equipment and any other money received by the ~~{Division}~~ **Office** must be deposited with the State Treasurer for credit to the Fund.

Sec. 33. NRS 176.01249 is hereby amended to read as follows:

176.01249 1. The Chair of the Subcommittee on Criminal Justice Information Sharing created by NRS 176.01248 may appoint working groups to:

(a) Consider specific problems or other matters that are related to and within the scope of the functions of the Subcommittee; and

(b) Conduct in-depth reviews of the impacts of requests for changes to the capabilities of the Nevada Criminal Justice Information System.

2. A working group appointed pursuant to subsection 1 may be composed of:

(a) Representatives of the Central Repository for Nevada Records of Criminal History;

(b) Representatives of the ~~{Division of Enterprise Information Technology Services}~~ **Office of the Chief Information Officer** of the Department of Administration; and

(c) Representatives of criminal justice agencies in this State.

3. The Chair of the Subcommittee shall designate one of the members of a working group to serve as Chair of the working group.

4. The Chair of a working group may recommend to the Subcommittee any changes to the capabilities of the Nevada Criminal Justice Information System and changes relating to the development of new technologies.

5. The provisions of chapter 241 of NRS do not apply to any meeting held by a working group to carry out the provisions of this section, including, without limitation, meetings to:



(a) Discuss operating procedures for using the systems which comprise the Nevada Criminal Justice Information System;

(b) Discuss details concerning the design of the systems which comprise the Nevada Criminal Justice Information System;

(c) Discuss deficiencies in security concerning the systems which comprise the Nevada Criminal Justice Information System; and

(d) Discuss the use or development of new technologies.

6. All information and materials received or prepared by a working group are confidential and not a public record for purposes of chapter 239 of NRS.

7. The members of a working group serve without compensation.

Sec. 34. NRS 205.4765 is hereby amended to read as follows:

205.4765 1. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:

(a) Modifies;

(b) Damages;

(c) Destroys;

(d) Discloses;

(e) Uses;

(f) Transfers;

(g) Conceals;

(h) Takes;

(i) Retains possession of;

(j) Copies;

(k) Obtains or attempts to obtain access to, permits access to or causes to be accessed; or

(l) Enters,

➔ data, a program or any supporting documents which exist inside or outside a computer, system or network is guilty of a misdemeanor.

2. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:

(a) Modifies;

(b) Destroys;

(c) Uses;

(d) Takes;

(e) Damages;

(f) Transfers;

(g) Conceals;

(h) Copies;

(i) Retains possession of; or

(j) Obtains or attempts to obtain access to, permits access to or causes to be accessed,



1 ➤ equipment or supplies that are used or intended to be used in a
2 computer, system or network is guilty of a misdemeanor.

3 3. Except as otherwise provided in subsection 6, a person who
4 knowingly, willfully and without authorization:

5 (a) Destroys;

6 (b) Damages;

7 (c) Takes;

8 (d) Alters;

9 (e) Transfers;

10 (f) Discloses;

11 (g) Conceals;

12 (h) Copies;

13 (i) Uses;

14 (j) Retains possession of; or

15 (k) Obtains or attempts to obtain access to, permits access to or
16 causes to be accessed,

17 ➤ a computer, system or network is guilty of a misdemeanor.

18 4. Except as otherwise provided in subsection 6, a person who
19 knowingly, willfully and without authorization:

20 (a) Obtains and discloses;

21 (b) Publishes;

22 (c) Transfers; or

23 (d) Uses,

24 ➤ a device used to access a computer, network or data is guilty of a
25 misdemeanor.

26 5. Except as otherwise provided in subsection 6, a person who
27 knowingly, willfully and without authorization introduces, causes to
28 be introduced or attempts to introduce a computer contaminant into
29 a computer, system or network is guilty of a misdemeanor.

30 6. If the violation of any provision of this section:

31 (a) Was committed to devise or execute a scheme to defraud or
32 illegally obtain property;

33 (b) Caused response costs, loss, injury or other damage in excess
34 of \$500; or

35 (c) Caused an interruption or impairment of a public service,
36 including, without limitation, a governmental operation, a system of
37 public communication or transportation or a supply of water, gas or
38 electricity,

39 ➤ the person is guilty of a category C felony and shall be punished
40 as provided in NRS 193.130, and may be further punished by a fine
41 of not more than \$100,000. In addition to any other penalty, the
42 court shall order the person to pay restitution.

43 7. The provisions of this section do not apply to a person
44 performing any testing, including, without limitation, penetration
45 testing, of an information system of an agency that uses the



equipment or services of the ~~{Division of Enterprise Information Technology Services}~~ *Office of the Chief Information Officer* of the Department of Administration that is authorized by the Administrator of the Division of Enterprise Information Technology Services, *the Chief Information Officer of the Office of the Chief Information Officer* or the ~~{head}~~ *Chief* of the ~~{Office}~~ *Division* of Information Security. ~~{of the Division.}~~ As used in this subsection:

(a) "Information system" has the meaning ascribed to it in NRS 242.057.

(b) "Penetration testing" has the meaning ascribed to it in NRS 242.171.

Sec. 35. NRS 205A.040 is hereby amended to read as follows:
205A.040 1. The Technological Crime Advisory Board is hereby created.

2. The Board consists of 13 members as follows:

(a) The Attorney General.

(b) The ~~{Administrator}~~ *Chief Information Officer* of the ~~{Division of Enterprise Information Technology Services}~~ *Office of the Chief Information Officer* of the Department of Administration.

(c) One member of the Senate appointed by the Majority Leader of the Senate.

(d) One member of the Assembly appointed by the Speaker of the Assembly.

(e) Nine other persons appointed by the Governor as follows:

(1) Two or more persons who represent major sectors of the economy of this State that are impacted significantly by technological crimes.

(2) One or more persons who are employees of a law enforcement agency of this State.

(3) One or more persons who are employees of a public educational institution within this State.

(4) One or more persons who are residents of this State and who are employed by the Federal Government.

3. Each member of the Board who is appointed to the Board serves for a term of 4 years. A vacancy on the Board in an appointed position must be filled in the same manner as the original appointment. A member may be reappointed to the Board.

4. The members of the Board shall elect a Chair and Vice Chair by majority vote. After the initial election, the Chair and Vice Chair shall hold office for a term of 1 year beginning on July 1 of each year. If the position of Chair or Vice Chair becomes vacant, the members of the Board shall elect a Chair or Vice Chair, as appropriate, from among its members for the remainder of the unexpired term.

5. The members of the Board:



(a) Serve without compensation; and

(b) May, upon written request, receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the business of the Board.

6. A member of the Board who is an officer or employee of this State or a political subdivision of this State must be relieved from duties without loss of regular compensation so that the officer or employee may prepare for and attend meetings of the Board and perform any work necessary to carry out the duties of the Board 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 Board to make up the time the officer or employee is absent from work to carry out duties as a member of the Board or use annual vacation or compensatory time for the absence.

Sec. 36. NRS 205A.050 is hereby amended to read as follows:

205A.050 1. The Board shall meet at least once every quarter and at the times and places specified by a call of the Chair or a majority of the members of the Board.

2. Except as otherwise provided in subsection 3, a member of the Board may designate in writing a person to represent him or her at a meeting of the Board if it is impractical for the member of the Board to attend the meeting. A representative who has been so designated:

(a) Shall be deemed to be a member of the Board for the purpose of determining a quorum at the meeting; and

(b) May vote on any matter that is voted on by the regular members of the Board at the meeting.

3. The Attorney General may designate a representative to serve in his or her place on the Board or attend a meeting of the Board in his or her place. The ~~Administrator~~ **Chief Information Officer** of the ~~Division of Enterprise Information Technology Services~~ **Office of the Chief Information Officer** of the Department of Administration may designate a representative to serve in his or her place on the Board or attend a meeting of the Board in his or her place.

4. Seven members of the Board constitute a quorum. Except as otherwise provided in NRS 205A.070 and 205A.080, a quorum may exercise all the power and authority conferred on the Board.

5. Notwithstanding any other provision of law, a member of the Board:

(a) Is not disqualified from public employment or holding a public office because of membership on the Board; and

(b) Does not forfeit public office or public employment because of membership on the Board.



Sec. 37. NRS 205A.060 is hereby amended to read as follows:
205A.060 The Board shall:

1. Facilitate cooperation between state, local and federal officers in detecting, investigating and prosecuting technological crimes.

2. Establish, support and assist in the coordination of activities between two multiagency task forces on technological crime, one based in Reno and one based in Las Vegas, consisting of investigators and forensic examiners who are specifically trained to investigate technological crimes.

3. Coordinate and provide training and education for members of the general public, private industry and governmental agencies, including, without limitation, law enforcement agencies, concerning the statistics and methods of technological crimes and how to prevent, detect and investigate technological crimes.

4. Assist the ~~{Division of Enterprise Information Technology Services}~~ *Office of the Chief Information Officer* of the Department of Administration in securing governmental information systems against illegal intrusions and other criminal activities.

5. Evaluate and recommend changes to the existing civil and criminal laws relating to technological crimes in response to current and projected changes in technology and law enforcement techniques.

6. Distribute money deposited pursuant to NRS 179.1233 into the Account for the Technological Crime Advisory Board in accordance with the provisions of NRS 205A.090.

7. Authorize the payment of expenses incurred by the Board in carrying out its duties pursuant to this chapter.

Sec. 38. NRS 223.085 is hereby amended to read as follows:

223.085 1. The Governor may, within the limits of available money, employ such persons as he or she deems necessary to provide an appropriate staff for the Office of the Governor, including, without limitation, the Office of Economic Development, the Office of Science, Innovation and Technology, the Office of the Western Regional Education Compact, the Office of Workforce Innovation and the Governor's mansion. Except as otherwise provided by specific statute, such employees are not in the classified or unclassified service of the State and, except as otherwise provided in NRS 231.043 and 231.047, serve at the pleasure of the Governor.

2. Except as otherwise provided by specific statute, the Governor shall:

(a) Determine the salaries and benefits of the persons employed pursuant to subsection 1, within limits of money available for that purpose; and



(b) Adopt such rules and policies as he or she deems appropriate to establish the duties and employment rights of the persons employed pursuant to subsection 1.

~~{3. The Governor may:~~

~~— (a) Appoint a Chief Information Officer of the State; or~~

~~— (b) Designate the Administrator as the Chief Information Officer of the State.~~

~~→ If the Administrator is so appointed, the Administrator shall serve as the Chief Information Officer of the State without additional compensation.~~

~~— 4. As used in this section, “Administrator” means the Administrator of the Division of Enterprise Information Technology Services of the Department of Administration.}~~

Sec. 39. NRS 232.213 is hereby amended to read as follows:

232.213 1. The Department of Administration is hereby created.

2. The Department consists of a Director and the following:

(a) Risk Management Division.

(b) Hearings Division, which consists of hearing officers, compensation officers and appeals officers.

(c) State Public Works Division.

(d) Purchasing Division.

(e) Administrative Services Division.

(f) Division of Human Resource Management.

~~(g) {Division of Enterprise Information Technology Services.}~~
Office of the Chief Information Officer.

(h) Division of State Library, Archives and Public Records.

(i) Office of Grant Procurement, Coordination and Management.

(j) Fleet Services Division.

(k) Public Employees’ Deferred Compensation Program.

Sec. 40. NRS 232.215 is hereby amended to read as follows:

232.215 The Director:

1. Shall appoint an Administrator of the:

(a) Risk Management Division;

(b) State Public Works Division;

(c) Purchasing Division;

(d) Administrative Services Division;

(e) Division of Human Resource Management;

~~(f) {Division of Enterprise Information Technology Services;}~~
~~— (g) {Division of State Library, Archives and Public Records;~~

~~{(h)} (g) Office of Grant Procurement, Coordination and Management; and~~

~~{(i)} (h) Fleet Services Division.~~

2. Shall, with the concurrence of the Governor and the Committee to Administer the Public Employees’ Deferred



1 Compensation Program, appoint the Executive Officer of the Public
2 Employees' Deferred Compensation Program.

3 3. Shall serve as Chief of the Hearings Division and shall
4 appoint the hearing officers and compensation officers. The Director
5 may designate one of the appeals officers in the Division to
6 supervise the administrative, technical and procedural activities of
7 the Division.

8 4. Is responsible for the administration, through the divisions
9 of the Department, of the provisions of chapters 233F ~~1-2421~~ and
10 284 of NRS, NRS 287.250 to 287.370, inclusive, and chapters 331,
11 333, 336, 338, 341 and 378 of NRS and all other provisions of law
12 relating to the functions of the divisions of the Department.

13 5. Is responsible for the administration of the laws of this State
14 relating to the negotiation and procurement of medical services and
15 other benefits for state agencies.

16 6. Has such other powers and duties as are provided by law.

17 **Sec. 41.** NRS 232.2165 is hereby amended to read as follows:

18 232.2165 1. The Administrator of:

19 (a) The State Public Works Division;

20 (b) The Purchasing Division;

21 (c) The Administrative Services Division;

22 (d) The Division of Human Resource Management;

23 (e) ~~The Division of Enterprise Information Technology~~
24 ~~Services;~~

25 ~~—(f)~~ The Division of State Library, Archives and Public Records;

26 ~~(g)~~ (f) The Office of Grant Procurement, Coordination and
27 Management; and

28 ~~(h)~~ (g) The Fleet Services Division,

29 ➔ of the Department serves at the pleasure of the Director and is in
30 the unclassified service of the State.

31 2. The Executive Officer of the Public Employees' Deferred
32 Compensation Program appointed pursuant to NRS 232.215 is in the
33 unclassified service of the State and serves at the pleasure of the
34 Director, except that he or she may be removed by a majority vote
35 of the Committee to Administer the Public Employees' Deferred
36 Compensation Program.

37 **Sec. 42.** NRS 232.217 is hereby amended to read as follows:

38 232.217 Unless federal law or regulation otherwise requires ~~t~~
39 ~~the~~ :

40 1. **The** Administrator of the:

41 ~~(1)~~ (a) State Public Works Division;

42 ~~(2)~~ (b) Purchasing Division;

43 ~~(3)~~ (c) Division of Human Resource Management;

44 ~~(4) Division of Enterprise Information Technology Services;~~



1 ~~—5.1~~ (d) Division of State Library, Archives and Public Records;
2 and

3 ~~16.1~~ (e) Fleet Services Division ~~H~~; and
4 **2. The Chief Information Officer of the Office of the Chief**
5 **Information Officer,**

6 ➔ may appoint a Deputy and a Chief Assistant in the unclassified
7 service of the State, who shall not engage in any other gainful
8 employment or occupation except as otherwise provided in
9 NRS 284.143.

10 **Sec. 43.** NRS 232.219 is hereby amended to read as follows:

11 232.219 1. The Department of Administration's Operating
12 Fund for Administrative Services is hereby created as an internal
13 service fund.

14 2. The operating budget of each of the following entities must
15 include an amount representing that entity's share of the operating
16 costs of the central accounting function of the Department:

- 17 (a) State Public Works Division;
18 (b) Purchasing Division;
19 (c) Hearings Division;
20 (d) Risk Management Division;
21 (e) Division of Human Resource Management;
22 (f) ~~Division of Enterprise Information Technology Services;~~
23 **Office of the Chief Information Officer;**
24 (g) Division of State Library, Archives and Public Records;
25 (h) Fleet Services Division; and
26 (i) Public Employees' Deferred Compensation Program.

27 3. All money received for the central accounting services of the
28 Department must be deposited in the State Treasury for credit to the
29 Operating Fund.

30 4. All expenses of the central accounting function of the
31 Department must be paid from the Fund as other claims against the
32 State are paid.

33 **Sec. 44.** NRS 233F.059 is hereby amended to read as follows:

34 233F.059 "Division" means the Division of Enterprise
35 Information Technology Services of the **Office of the Chief**
36 **Information Officer of the** Department.

37 **Sec. 45.** NRS 284.172 is hereby amended to read as follows:

38 284.172 1. The ~~Administrator~~ **Chief Information Officer**
39 shall prepare, maintain and revise as necessary a list of all positions
40 in the classified service that consist primarily of performing data
41 processing.

42 2. The request of an appointing authority that is required to use
43 the equipment or services of the ~~Division of Enterprise Information~~
44 ~~Technology Services~~ **Office of the Chief Information Officer** of
45 the Department of Administration for a new position or the



reclassification of an existing position to a position included on the list required by subsection 1 must be submitted to the ~~{Administrator}~~ **Chief Information Officer** of the ~~{Division of Enterprise Information Technology Services}~~ **Office of the Chief Information Officer** for approval before submission to the Division of Human Resource Management.

Sec. 46. NRS 388.790 is hereby amended to read as follows:

388.790 1. The Commission on Educational Technology, consisting of 2 members who serve ex officio and 11 members who are appointed, is hereby created. The Superintendent of Public Instruction and the ~~{Administrator}~~ **Chief Information Officer** of the ~~{Division of Enterprise Information Technology Services}~~ **Office of the Chief Information Officer** of the Department of Administration shall serve ex officio as nonvoting members of the Commission.

2. The Governor shall appoint the following voting members to the Commission, at least two of whom must reside in a county whose population is less than 100,000:

(a) One administrator in a public school who possesses knowledge and experience in the general application of technology;

(b) One school teacher in a public elementary school who possesses knowledge and experience in the use of educational technology in the public schools;

(c) One school teacher in a public secondary school who possesses knowledge and experience in the use of educational technology in the public schools;

(d) One representative of public libraries who possesses knowledge and experience in the general application of technology;

(e) One representative of the Nevada System of Higher Education who possesses knowledge and experience in the use of educational technology in institutions of higher education;

(f) One representative of the private sector who possesses knowledge and experience in the use of technology; and

(g) One parent or legal guardian who possesses knowledge and experience in the general application of technology.

3. The Majority Leader of the Senate shall appoint two voting members to the Commission:

(a) One of whom is a member of the Senate; and

(b) One of whom is employed in the field of technology.

4. The Speaker of the Assembly shall appoint two voting members to the Commission:

(a) One of whom is a member of the Assembly; and

(b) One of whom is employed in the field of technology.

5. The Governor shall appoint a Chair among the voting members of the Commission.



6. After the initial terms, the term of each member of the Commission is 2 years, commencing on January 1 of the year in which the member is appointed and expiring on December 31 of the immediately following year. A member shall continue to serve on the Commission until his or her successor is appointed. Upon the expiration of a term of a member, he or she may be reappointed if he or she still possesses any requisite qualifications for appointment. There is no limit on the number of terms that a member may serve.

7. The person or entity who appoints a member to the Commission may remove that member if the member neglects his or her duty or commits malfeasance in office, or for other just cause. Any vacancy in the membership of the Commission must be filled for the remainder of the unexpired term in the same manner as the original appointment.

8. The Commission shall hold at least four regular meetings each year and may hold special meetings at the call of the Chair.

9. Members of the Commission who are not Legislators 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 or is otherwise engaged in the business of the Commission, the member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

10. For each day or portion of a day during which a member of the Commission who is a Legislator attends a meeting of the Commission or is otherwise engaged in the work of the Commission, except during a regular or special session of the Legislature, the Legislator is entitled to receive the:

(a) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding session;

(b) Per diem allowance provided for state officers and employees generally; and

(c) Travel expenses provided pursuant to NRS 218A.655.

➤ The compensation, per diem allowances and travel expenses of the legislative members of the Commission must be paid from the Legislative Fund.

Sec. 47. NRS 408.55028 is hereby amended to read as follows:

408.55028 1. The Telecommunications Advisory Council is hereby created.

2. The Council consists of seven members appointed by the Governor. The Governor shall appoint to the Council:

(a) One member from the Office of Science, Innovation and Technology in the Office of the Governor;

(b) One member from the Department of Transportation;



- (c) One member from the Department of Education;
- (d) One member from the Nevada Office of Rural Health;
- (e) One member from the Department of Public Safety;
- (f) One member from the Nevada System of Higher Education;

and

- (g) One member from the ~~{Division of Enterprise Information Technology Services}~~ *Office of the Chief Information Officer* of the Department of Administration.

3. The member appointed from the Office of Science, Innovation and Technology in the Office of the Governor shall serve as the Chair of the Council.

4. The Council shall meet as necessary at the call of the Chair.

5. The Director of the Office of Science, Innovation and Technology in the Office of the Governor shall provide staff support to the Council.

6. A majority of the members of the Council constitutes a quorum for the transaction of business.

7. The members of the Council receive no compensation for their services, but are entitled to be reimbursed for all travel and other expenses actually and necessarily incurred by them in the performance of their duties, within the limits of money available to the Council.

8. The members of the Council may request assistance from technical advisors as the Council deems necessary.

9. The Council shall:

- (a) Provide information, advice, strategic plans, priorities and recommendations to assist the Department in administering access to rights-of-way to telecommunications providers for statewide telecommunications purposes;

- (b) Assist the Department in valuing in-kind compensation pursuant to NRS 408.5501 to 408.55029, inclusive, and approve or deny any valuation thereof;

- (c) Seek input from telecommunications providers and the public relating to broadband access;

- (d) Coordinate and exchange information with other entities of this State and its political subdivisions relating to technology and telecommunications;

- (e) Approve or deny any agreement between the Department and a telecommunications provider proposed pursuant to NRS 408.5502, if the Council finds that the agreement is competitively neutral and nondiscriminatory; and

- (f) Provide other assistance as requested by the Department.

Sec. 48. NRS 439.942 is hereby amended to read as follows:

439.942 1. The Division may establish a secure Internet website which makes certain information available for a website



client to conduct an investigation into the background and personal history of a person that is required pursuant to the provisions of this chapter or chapter 62B, 63, 424, 427A, 432, 432A, 432B, 433, 433B, 435 or 449 of NRS.

2. To become a website client, a person or governmental entity must:

(a) Create an account on the Internet website;

(b) Comply with NRS 439.942 to 439.948, inclusive, and any regulations adopted pursuant thereto governing use of the Internet website; and

(c) Designate a website client administrator who is responsible for:

(1) Determining the persons who are authorized to use the Internet website;

(2) Providing the Division with the names of the persons who are authorized to use the Internet website;

(3) Ensuring that only those authorized persons have access to the Internet website; and

(4) Notifying the Division of any change in the persons who are authorized to use the Internet website.

3. Authorized employees of the Division and of the Department of Public Safety may be designated to serve as administrators of the Internet website with access to all the data and information on the Internet website.

4. Except as otherwise provided in this section and NRS 239.0115, information collected, maintained, stored, backed up or on file on the Internet website is confidential, not subject to subpoena or discovery and is not subject to inspection by the general public.

5. The Division shall ensure that any information collected, maintained and stored on the Internet website is protected adequately from fire, theft, loss, destruction, other hazards and unauthorized access, and is backed-up in a manner that ensures proper confidentiality and security.

6. The Internet website must be maintained in accordance with any requirements of the ~~{Division of Enterprise Information Technology Services}~~ *Office of the Chief Information Officer* of the Department of Administration established for use of the equipment or services of the Division pursuant to NRS 242.181.

Sec. 49. NRS 459.742 is hereby amended to read as follows:

459.742 The Commission, in carrying out its duties and within the limits of legislative appropriations and other available money, may:

1. Enter into contracts, leases or other agreements or transactions;



2. Provide grants of money to local emergency planning committees to improve their ability to respond to emergencies involving hazardous materials;

3. Assist with the development of comprehensive plans for responding to such emergencies in this State;

4. Provide technical assistance and administrative support to the Telecommunications Group of the Communication and Computing Unit of the Division of Enterprise Information Technology Services *of the Office of the Chief Information Officer* of the Department of Administration for the development of systems for communication during such emergencies;

5. Provide technical and administrative support and assistance for training programs;

6. Develop a system to provide public access to data relating to hazardous materials;

7. Support any activity or program eligible to receive money from the Contingency Account for Hazardous Materials;

8. Adopt regulations setting forth the manner in which the Division of Emergency Management of the Department shall:

(a) Allocate money received by the Division which relates to hazardous materials or is received pursuant to 42 U.S.C. §§ 11001 et seq. or 49 U.S.C. §§ 5101 et seq.; and

(b) Approve programs developed to address planning for and responding to emergencies involving hazardous materials; and

9. Coordinate the activities administered by state agencies to carry out the provisions of this chapter, 42 U.S.C. §§ 11001 et seq. and 49 U.S.C. §§ 5101 et seq.

Sec. 50. NRS 480.924 is hereby amended to read as follows:

480.924 1. The Office shall:

(a) Periodically review the information systems that are operated or maintained by state agencies.

(b) Identify risks to the security of information systems that are operated or maintained by state agencies.

(c) Develop and update, as necessary, strategies, standards and guidelines for preparing for and mitigating risks to, and otherwise protecting, the security of information systems that are operated or maintained by state agencies.

(d) Coordinate performance audits and assessments of the information systems of state agencies to determine, without limitation, adherence to the regulations, standards, practices, policies and conventions of the ~~Division of Enterprise Information Technology Services~~ *Office of the Chief Information Officer* of the Department of Administration that are identified by the ~~Division~~ *Office of the Chief Information Officer* as security-related.



(e) Coordinate statewide programs for awareness and training regarding risks to the security of information systems that are operated or maintained by state agencies.

2. Upon review of an information system that is operated or maintained by a state agency, the Office may make recommendations to the state agency and the ~~{Division of Enterprise Information Technology Services}~~ **Office of the Chief Information Officer** regarding the security of the information system.

Sec. 51. NRS 480.926 is hereby amended to read as follows:
480.926 The Office shall:

1. Establish partnerships with:

(a) Local governments;

(b) The Nevada System of Higher Education; and

(c) Private entities that have expertise in cyber security or information systems,

↳ to encourage the development of strategies to prepare for and mitigate risks to, and otherwise protect, the security of information systems that are operated or maintained by a public or private entity in this State.

2. Establish partnerships to assist and receive assistance from local governments and appropriate agencies of the Federal Government regarding the development of strategies to prepare for and mitigate risks to, and otherwise protect, the security of information systems.

3. Consult with the Division of Emergency Management of the Department and the ~~{Division of Enterprise Information Technology Services}~~ **Office of the Chief Information Officer** of the Department of Administration regarding the development of strategies to prepare for and mitigate risks to, and otherwise protect, the security of information systems.

4. Coordinate with the Investigation Division of the Department regarding gathering intelligence on and initiating investigations of cyber threats and incidents.

Sec. 52. NRS 603A.215 is hereby amended to read as follows:

603A.215 1. If a data collector doing business in this State accepts a payment card in connection with a sale of goods or services, the data collector shall comply with the current version of the Payment Card Industry (PCI) Data Security Standard, as adopted by the PCI Security Standards Council or its successor organization, with respect to those transactions, not later than the date for compliance set forth in the Payment Card Industry (PCI) Data Security Standard or by the PCI Security Standards Council or its successor organization.

2. A data collector doing business in this State to whom subsection 1 does not apply shall not:



(a) Transfer any personal information through an electronic, nonvoice transmission other than a facsimile to a person outside of the secure system of the data collector unless the data collector uses encryption to ensure the security of electronic transmission; or

(b) Move any data storage device containing personal information beyond the logical or physical controls of the data collector, its data storage contractor or, if the data storage device is used by or is a component of a multifunctional device, a person who assumes the obligation of the data collector to protect personal information, unless the data collector uses encryption to ensure the security of the information.

3. A data collector shall not be liable for damages for a breach of the security of the system data if:

(a) The data collector is in compliance with this section; and

(b) The breach is not caused by the gross negligence or intentional misconduct of the data collector, its officers, employees or agents.

4. The requirements of this section do not apply to:

(a) A telecommunication provider acting solely in the role of conveying the communications of other persons, regardless of the mode of conveyance used, including, without limitation:

(1) Optical, wire line and wireless facilities;

(2) Analog transmission; and

(3) Digital subscriber line transmission, voice over Internet protocol and other digital transmission technology.

(b) Data transmission over a secure, private communication channel for:

(1) Approval or processing of negotiable instruments, electronic fund transfers or similar payment methods; or

(2) Issuance of reports regarding account closures due to fraud, substantial overdrafts, abuse of automatic teller machines or related information regarding a customer.

5. As used in this section:

(a) "Data storage device" means any device that stores information or data from any electronic or optical medium, including, but not limited to, computers, cellular telephones, magnetic tape, electronic computer drives and optical computer drives, and the medium itself.

(b) "Encryption" means the protection of data in electronic or optical form, in storage or in transit, using:

(1) An encryption technology that has been adopted by an established standards setting body, including, but not limited to, the Federal Information Processing Standards issued by the National Institute of Standards and Technology, which renders such data



1 indecipherable in the absence of associated cryptographic keys
2 necessary to enable decryption of such data;

3 (2) Appropriate management and safeguards of
4 cryptographic keys to protect the integrity of the encryption using
5 guidelines promulgated by an established standards setting body,
6 including, but not limited to, the National Institute of Standards and
7 Technology; and

8 (3) Any other technology or method identified by the
9 ~~{Office}~~ **Division** of Information Security of the ~~{Division of~~
10 ~~Enterprise Information Technology Services}~~ **Office of the Chief**
11 **Information Officer** of the Department of Administration in
12 regulations adopted pursuant to NRS 603A.217.

13 (c) "Facsimile" means an electronic transmission between two
14 dedicated fax machines using Group 3 or Group 4 digital formats
15 that conform to the International Telecommunications Union T.4 or
16 T.38 standards or computer modems that conform to the
17 International Telecommunications Union T.31 or T.32 standards.
18 The term does not include onward transmission to a third device
19 after protocol conversion, including, but not limited to, any data
20 storage device.

21 (d) "Multifunctional device" means a machine that incorporates
22 the functionality of devices, which may include, without limitation,
23 a printer, copier, scanner, facsimile machine or electronic mail
24 terminal, to provide for the centralized management, distribution or
25 production of documents.

26 (e) "Payment card" has the meaning ascribed to it in
27 NRS 205.602.

28 (f) "Telecommunication provider" has the meaning ascribed to it
29 in NRS 704.027.

30 **Sec. 53.** NRS 603A.217 is hereby amended to read as follows:

31 603A.217 Upon receipt of a well-founded petition, the ~~{Office}~~
32 **Division** of Information Security of the ~~{Division of Enterprise~~
33 ~~Information Technology Services}~~ **Office of the Chief Information**
34 **Officer** of the Department of Administration may, pursuant to
35 chapter 233B of NRS, adopt regulations which identify alternative
36 methods or technologies which may be used to encrypt data
37 pursuant to NRS 603A.215.

38 **Sec. 54.** 1. Any administrative regulations adopted by an
39 officer or entity whose name has been changed or whose
40 responsibilities have been transferred pursuant to the provisions of
41 this act remain in force until amended by the officer or entity to
42 which the responsibility for the adoption of the regulations has been
43 transferred.

44 2. Any contracts or other agreements entered into by an officer
45 or entity whose name has been changed pursuant to the provisions



1 of this act are binding upon the office or entity to which the
2 responsibility for the administration of the provision of the contract
3 or other agreement has been transferred. Such contracts and other
4 agreements may be enforced by the officer or entity to which the
5 responsibility for the enforcement of the provisions of the contract
6 or other agreement has been transferred.

7 3. Any action taken by an officer or entity whose name has
8 been changed pursuant to the provisions of this act remains in effect
9 as if taken by the officer or entity to which the responsibility for the
10 enforcement of such actions has been transferred.

11 **Sec. 55.** The Legislative Counsel shall:

12 1. In preparing the Nevada Revised Statutes, use the authority
13 set forth in subsection 10 of NRS 220.120 to substitute
14 appropriately the name of any agency or officer of the State whose
15 name is changed by this act for the name for which the agency or
16 officer previously used; and

17 2. In preparing supplements to the Nevada Administrative
18 Code, appropriately change any references to an officer, agency or
19 other entity whose name is changed or whose responsibilities are
20 transferred pursuant to the provisions of this act to refer to the
21 appropriate officer, agency or other entity.

22 **Sec. 56.** NRS 242.045 is hereby repealed.

23 **Sec. 57.** This act becomes effective on July 1, 2019.

TEXT OF REPEALED SECTION

242.045 “Division” defined. “Division” means the Division
of Enterprise Information Technology Services of the Department.

