

ASSEMBLY BILL NO. 40—COMMITTEE ON
LEGISLATIVE OPERATIONS AND ELECTIONS

(ON BEHALF OF THE LIEUTENANT GOVERNOR)

PREFILED NOVEMBER 16, 2018

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises provisions relating to public office.
(BDR 23-401)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for Term of Imprisonment in County or City
Jail or Detention Facility.
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 public office; enacting provisions prohibiting gifts by lobbyists to public officers in the State Executive Branch, local public officers and their immediate families; revising provisions governing financial disclosure statements filed by public officers and candidates for public office; revising provisions prohibiting gifts by lobbyists to members of the State Legislative Branch and their immediate families; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 During the 2015 Legislative Session, the Legislature enacted Senate Bill No.
2 307 (S.B. 307), which amended the Nevada Lobbying Disclosure Act (hereafter the
3 Legislative Branch Lobbying Act) to prohibit lobbyists from giving gifts to
4 members of the Legislative Branch and their immediate families. (Chapter 320,
5 Statutes of Nevada 2015, p. 1711 (amending chapter 218H of NRS)) For the
6 purposes of the Legislative Branch Lobbying Act, the term "member of the
7 Legislative Branch" means any Legislator, any member of the Legislator's staff or
8 any assistant, employee or other person employed with reference to the legislative
9 duties of the Legislator. (NRS 218H.090) Under the gift prohibitions, lobbyists are
10 prohibited from giving gifts to members of the Legislative Branch and their
11 immediate families, whether or not the Legislature is in a regular or special session.
12 (NRS 218H.930) However, there are specific exceptions to the gift prohibitions,
13 which include: (1) political contributions of money or services; (2) commercially



reasonable loans made in the ordinary course of business; (3) anything of value provided for educational or informational meetings, events or trips; (4) the cost of parties, meals, functions or other social events to which every Legislator is invited; (5) ceremonial gifts received from donors who are not lobbyists; and (6) gifts from certain relatives and household members. (NRS 218H.045, 218H.060) Violations of the gift prohibitions are punishable as misdemeanors. (NRS 218H.960) The Attorney General also may bring civil actions in the district court to enjoin such violations. (NRS 218H.540)

In addition to amending the Legislative Branch Lobbying Act, S.B. 307 also amended existing law, commonly known as the Financial Disclosure Act, which requires certain public officers and candidates to report particular gifts and other information on financial disclosure statements filed with the Office of the Secretary of State. (Chapter 320, Statutes of Nevada 2015, p. 1711 (amending NRS 281.556-281.581)) The amendments made by S.B. 307 provided consistent definitions for certain terms used in both the Legislative Branch Lobbying Act and the Financial Disclosure Act, including the terms “gift” and “educational or informational meeting, event or trip.” (NRS 218H.045, 218H.060, 281.5583, 281.5585)

Given that S.B. 307 added similar provisions to both the Legislative Branch Lobbying Act and the Financial Disclosure Act, it is presumed that the Legislature intended for those provisions to be interpreted and applied in a consistent and uniform manner. (*Savage v. Pierson*, 123 Nev. 86, 94-96 (2007)) To assist in carrying out that legislative intent, the Legislative Counsel Bureau (LCB), as one of the agencies charged with administering the provisions enacted by S.B. 307, has prepared an instructive LCB Guide for the Legislative Branch that provides agency interpretations and explanations to inform and guide members of the Legislative Branch in complying with the Legislative Branch Lobbying Act and the Financial Disclosure Act. (*Guide for the Legislative Branch of Nevada State Government—Lobbying and Financial Disclosure: Gifts, Educational and Informational Meetings, Events and Trips and Related Matters*, Nev. LCB Legal Div. (Jan. 11, 2017)) Even though the LCB Guide was prepared primarily for members of the Legislative Branch, the Office of the Secretary of State, which is the agency charged with administering the Financial Disclosure Act, has posted a hyperlink to the LCB Guide on its official website to provide helpful guidance to public officers, stating that much of the information contained in the LCB Guide is applicable to all public officers who are required to file financial disclosure statements under the Financial Disclosure Act. (*Available at the Internet address: <https://www.nvsos.gov/sos/elections/candidate-information/campaign-finance-reporting-requirements/financial-disclosure-statements>*)

Sections 2-18 of this bill enact gift prohibitions which are similar to the gift prohibitions in the Legislative Branch Lobbying Act and which prohibit lobbyists from giving gifts to public officers in the Executive Branch, local public officers and their immediate families, unless one of the specific exceptions is applicable. In addition, **sections 19-45** of this bill revise the Legislative Branch Lobbying Act and the Financial Disclosure Act to ensure consistency and uniformity in the interpretation and application of the similar provisions in each of the acts.

Section 2 of this bill provides that the gift prohibitions are part of the Nevada Executive Branch and Local Government Lobbying Regulation Act (hereafter the Executive Branch and Local Government Lobbying Act). **Sections 5-13** of this bill enact definitions that are modeled on similar definitions in the Legislative Branch Lobbying Act, including definitions for “lobbyist,” “gift” and “educational or informational meeting, event or trip.” **Section 14** of this bill defines the term “public officer” but excludes from that definition: (1) any member of the Legislative Branch who is subject to the Legislative Branch Lobbying Act; and (2) any member of the Judicial Branch who is subject to the Nevada Code of Judicial Conduct.



Section 15 of this bill provides that the Secretary of State must administer, adopt regulations, provide interpretations and take any other action necessary to carry out the gift prohibitions. **Section 15** also provides that the Secretary of State must confer and coordinate with the Director of the Legislative Counsel Bureau to promote consistency and uniformity in the interpretation and application of the Executive Branch and Local Government Lobbying Act, the Legislative Branch Lobbying Act and the Financial Disclosure Act.

Section 16 of this bill provides that a lobbyist shall not knowingly or willfully give any gifts to public officers in the Executive Branch, local public officers and their immediate families or otherwise directly or indirectly arrange, facilitate or serve as a conduit for such a gift. **Section 16** also provides that public officers in the Executive Branch, local public officers and their immediate families shall not knowingly or willfully solicit or accept any gifts from a lobbyist. However, in **sections 8 and 9** of this bill, there are specific exceptions to the gift prohibitions set forth in the definitions of the terms "gift" and "educational or informational meeting, event or trip." Those exceptions include: (1) political contributions of money or services; (2) commercially reasonable loans made in the ordinary course of business; (3) anything of value provided for educational or informational meetings, events or trips; (4) the cost of parties, meals, functions or other social events to which every member of a public body is invited or which is open to the general public for free; (5) ceremonial gifts received from donors who are not lobbyists; and (6) gifts from certain relatives and household members.

Section 16 of this bill makes violations of the gift prohibitions punishable as misdemeanors. **Section 17** of this bill provides that in addition to any other remedies or penalties, the Attorney General may bring civil actions in the district court to enforce the gift prohibitions. In such a civil action, the district court may issue declaratory judgments, injunctions and other appropriate orders to enforce the gift prohibitions and also impose civil penalties not to exceed \$1,000 for each violation of the gift prohibitions.

Sections 19-45 of this bill make conforming changes to the Legislative Branch Lobbying Act and the Financial Disclosure Act. **Sections 46 and 47** of this bill make the provisions of the bill effective on January 1, 2020, and provide that the provisions do not apply to: (1) any act or conduct that occurs before that date; or (2) any financial disclosure statement that is filed to report information for any period that ends before that date.

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

Section 1. Title 23 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 18, inclusive, of this act.

Sec. 2. *This chapter may be cited as the Nevada Executive Branch and Local Government Lobbying Regulation Act.*

Sec. 3. *The Legislature finds and declares that:*

1. The operation of responsible representative government requires that the fullest opportunity be afforded to the people to petition or lobby their government for the redress of grievances and to exchange information and express their opinions freely to public officers on matters relating to legislative, administrative or political action.



2. *Lobbying activities that involve unregulated gift-giving by lobbyists to public officers or members of their immediate families create the appearance of impropriety and are inconsistent with and undermine the people's faith, trust and confidence in the honesty, integrity and fidelity of their representative government.*

3. *The public purpose of the provisions regulating gift-giving by lobbyists set forth in this chapter is to guard against the appearance of impropriety and the potential for undue influence and favoritism that may arise from such gift-giving and thereby promote and foster the people's faith, trust and confidence in the honesty, integrity and fidelity of their representative government.*

4. *To further this public purpose, the provisions regulating gift-giving by lobbyists set forth in this chapter must be liberally construed and broadly interpreted to achieve their intended public benefits, and if there is any uncertainty or doubt regarding the interpretation or application of those provisions, that uncertainty or doubt must be resolved in favor of this public purpose.*

Sec. 4. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 5 to 14, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 5. 1. *"Client" means a person who employs, retains, contracts for or otherwise uses or engages the services of a lobbyist to represent the interests of the person to one or more public officers, whether or not any compensation is paid for the services.*

2. *The term includes, without limitation, a client that is a government, governmental agency or political subdivision of a government.*

Sec. 6. *"Domestic partner" means a person in a domestic partnership.*

Sec. 7. *"Domestic partnership" means a domestic partnership as defined in NRS 122A.040.*

Sec. 8. 1. *"Educational or informational meeting, event or trip" means any meeting, event or trip undertaken or attended by a public officer if, in connection with the meeting, event or trip:*

(a) *The public officer or a member of the public officer's household receives anything of value from a lobbyist to undertake or attend the meeting, event or trip; and*

(b) *The public officer provides or receives any education or information on matters relating to the legislative, administrative or political action of the public officer.*

2. *The term includes, without limitation, any reception, gathering, conference, convention, discussion, forum, roundtable, seminar, symposium, speaking engagement or other similar*



1 *meeting, event or trip with an educational or informational*
2 *component.*

3 3. *The term does not include a meeting, event or trip*
4 *undertaken or attended by a public officer for personal reasons or*
5 *for reasons relating to any professional or occupational license*
6 *held by the public officer, unless the public officer participates as*
7 *one of the primary speakers, instructors or presenters at the*
8 *meeting, event or trip.*

9 4. *For the purposes of this section, “anything of value”*
10 *includes, without limitation, any actual expenses for food,*
11 *beverages, registration fees, travel or lodging provided or given to*
12 *or paid for the benefit of the public officer or a member of the*
13 *public officer’s household or reimbursement for any such actual*
14 *expenses paid by the public officer or a member of the public*
15 *officer’s household, if the expenses are incurred on a day during*
16 *which the public officer or a member of the public officer’s*
17 *household undertakes or attends the meeting, event or trip or*
18 *during which the public officer or a member of the public officer’s*
19 *household travels to or from the meeting, event or trip.*

20 **Sec. 9. 1. “Gift” means any payment, conveyance, transfer,**
21 **distribution, deposit, advance, loan, forbearance, subscription,**
22 **pledge or rendering of money, services or anything else of value,**
23 **unless consideration of equal or greater value is received.**

24 2. *The term does not include:*

25 (a) *Any political contribution of money or services related to a*
26 *political campaign.*

27 (b) *Any commercially reasonable loan made in the ordinary*
28 *course of business.*

29 (c) *Anything of value provided for an educational or*
30 *informational meeting, event or trip.*

31 (d) *The cost of a party, meal, function or other social event to*
32 *which every member of a public body is invited or which is open to*
33 *the general public for free, including, without limitation, the cost*
34 *of food or beverages provided at the party, meal, function or other*
35 *social event.*

36 (e) *Any ceremonial gifts received for a birthday, wedding,*
37 *anniversary, holiday or other ceremonial occasion from a donor*
38 *who is not a lobbyist.*

39 (f) *Anything of value received from a person who is:*

40 (1) *Related to the recipient, or to the spouse or domestic*
41 *partner of the recipient, by blood, adoption, marriage or domestic*
42 *partnership within the third degree of consanguinity or affinity; or*

43 (2) *A member of the recipient’s household.*



1 **Sec. 10. 1. “Immediate family,” with regard to a specific**
2 **person, means:**

3 (a) *The spouse or domestic partner of the person;*

4 (b) *A relative who lives in the same home or dwelling as the*
5 *person; or*

6 (c) *A relative who does not live in the same home or dwelling*
7 *as the person but who is dependent on and receiving substantial*
8 *support from the person.*

9 2. *For the purposes of this section, “relative” means someone*
10 *who is related to the person, or to the spouse or domestic partner*
11 *of the person, by blood, adoption, marriage or domestic*
12 *partnership within the third degree of consanguinity or affinity.*

13 **Sec. 11. 1. “Lobbyist” means a person who:**

14 (a) *Appears in person in any building or other location in*
15 *which a public officer conducts official business or meets in*
16 *person in any other place with a public officer; and*

17 (b) *Communicates directly with the public officer on behalf of*
18 *someone other than himself or herself to influence legislative,*
19 *administrative or political action, whether or not any*
20 *compensation is received for the communication.*

21 2. *The term does not include:*

22 (a) *Persons who confine their lobbying activities solely and*
23 *exclusively to formal appearances in which they testify before a*
24 *public officer or body and who clearly identify themselves and the*
25 *interest or interests for whom they are testifying.*

26 (b) *Employees of a bona fide news medium who meet the*
27 *definition of “lobbyist” set forth in subsection 1 only in the course*
28 *of their professional duties and who communicate with a public*
29 *officer or body solely and exclusively for the purpose of carrying*
30 *out their news gathering function.*

31 (c) *Public officers and employees who communicate with a*
32 *public officer or body solely and exclusively for the purpose of*
33 *carrying out activities within the course and scope of their public*
34 *office or employment.*

35 (d) *Persons who communicate with the public officers who are*
36 *elected or appointed from the districts, wards, subdistricts or other*
37 *units prescribed by law in which they reside, except for those*
38 *public officers who are elected or appointed to hold statewide*
39 *offices.*

40 (e) *Persons who are clients of a lobbyist, unless such a person*
41 *independently meets the definition of “lobbyist” set forth in*
42 *subsection 1.*



Sec. 12. *“Member of the public officer’s household” means a person who is a member of the public officer’s household for the purposes of the Nevada Financial Disclosure Act in NRS 281.556 to 281.581, inclusive, and section 19 of this act.*

Sec. 13. *“Person” includes, without limitation, a group of persons acting in concert, whether or not formally organized.*

Sec. 14. *1. “Public officer” has the meaning ascribed to it in NRS 281.005.*

2. The term does not include:

(a) Any member of the Legislative Branch, as defined in NRS 218H.090, who is subject to the requirements of the Nevada Legislative Branch Lobbying Regulation Act in chapter 218H of NRS.

(b) Any member of the Judicial Branch who is subject to the requirements of the Nevada Code of Judicial Conduct.

Sec. 15. *1. The Secretary of State shall:*

(a) Administer the provisions of this chapter;

(b) Adopt any regulations necessary to carry out the provisions of this chapter; and

(c) Provide interpretations and take any other action necessary to carry out the provisions of this chapter.

2. To the fullest extent practicable, the Secretary of State shall confer and coordinate with the Director of the Legislative Counsel Bureau to promote consistency and uniformity in the interpretation and application of the provisions of this chapter that are similar to the provisions of:

(a) The Nevada Legislative Branch Lobbying Regulation Act in chapter 218H of NRS; and

(b) The Nevada Financial Disclosure Act in NRS 281.556 to 281.581, inclusive, and section 19 of this act.

Sec. 16. *1. A lobbyist shall not knowingly or willfully give any gift to a public officer or a member of his or her immediate family or otherwise directly or indirectly arrange, facilitate or serve as a conduit for such a gift.*

2. A public officer or a member of his or her immediate family shall not knowingly or willfully solicit or accept any gift from a lobbyist.

3. A person who violates any provision of this section is guilty of a misdemeanor.

Sec. 17. *1. The provisions of this chapter do not establish a private right of action against any person who is subject to its provisions.*

2. In addition to any other remedies or penalties provided by law, the Attorney General may bring a civil action in the district



court to enforce the provisions of this chapter against any person who is subject to its provisions. In such a civil action:

(a) The district court may:

(1) Issue declaratory judgments, injunctions and any other appropriate orders to enforce the provisions of this chapter; and

(2) Impose civil penalties not to exceed \$1,000 for each violation of the provisions of this chapter.

(b) An aggrieved party may appeal any final judgment of the district court to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6 of the Nevada Constitution. The appeal must be taken as in other civil cases.

Sec. 18. 1. *The provisions of this chapter do not bar, abrogate, preempt or repeal, expressly or by implication, any state or local laws, regulations or rules which prohibit the same or similar conduct and which provide for additional or greater remedies or penalties for such conduct than the remedies and penalties set forth in this chapter.*

2. *The remedies and penalties set forth in this chapter are not exclusive but are in addition to any other remedies and penalties recognized by any state or local laws, regulations or rules which prohibit the same or similar conduct, and all such remedies and penalties are cumulative, so that the application or attempted application of any one does not bar the application or attempted application of any other.*

Sec. 19. Chapter 281 of NRS is hereby amended by adding thereto a new section to read as follows:

The provisions of this section and NRS 281.556 to 281.581, inclusive, may be cited as the Nevada Financial Disclosure Act.

Sec. 20. NRS 281.556 is hereby amended to read as follows:

281.556 As used in NRS 281.556 to 281.581, inclusive, *and section 19 of this act*, unless the context otherwise requires, the words and terms defined in NRS 281.558 to 281.5587, inclusive, have the meanings ascribed to them in those sections.

Sec. 21. NRS 281.5584 is hereby amended to read as follows:

281.5584 "Financial disclosure statement" or "statement" means a financial disclosure statement in the electronic form or other authorized form prescribed by the Secretary of State pursuant to NRS 281.556 to 281.581, inclusive, *and section 19 of this act* or in the form approved by the Secretary of State for a specialized or local ethics committee pursuant to NRS 281A.350.

Sec. 22. NRS 281.5585 is hereby amended to read as follows:

281.5585 1. "Gift" means any payment, conveyance, transfer, distribution, deposit, advance, loan, forbearance, subscription,



pledge or rendering of money, services or anything else of value, unless consideration of equal or greater value is received.

2. The term does not include:

(a) Any political contribution of money or services related to a political campaign.

(b) Any commercially reasonable loan made in the ordinary course of business.

(c) Anything of value provided for an educational or informational meeting, event or trip.

(d) Anything of value excluded from the term "gift" as defined in NRS 218H.060 **[H]** or section 9 of this act.

(e) Any ceremonial gifts received for a birthday, wedding, anniversary, holiday or other ceremonial occasion from a donor who is not an interested person.

(f) Anything of value received from a person who is:

(1) Related to the public officer or candidate, or to the spouse or domestic partner of the public officer or candidate, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity; or

(2) A member of the public officer's or candidate's household.

Sec. 23. NRS 281.5586 is hereby amended to read as follows:

281.5586 1. "Interested person" means a person who has a substantial interest in the legislative, administrative or political action of a public officer or a candidate if elected.

2. The term includes, without limitation:

(a) A lobbyist as defined in NRS 218H.080 **[H]** or section 11 of this act.

(b) A group of interested persons acting in concert, whether or not formally organized.

Sec. 24. NRS 281.5588 is hereby amended to read as follows:

281.5588 1. Except as otherwise provided in NRS 281.572, the Secretary of State shall provide access through a secure Internet website for the purpose of filing financial disclosure statements to each public officer or candidate who is required to file electronically with the Secretary of State a financial disclosure statement pursuant to NRS 281.556 to 281.581, inclusive **[H]**, and section 19 of this act.

2. A financial disclosure statement that is filed electronically with the Secretary of State shall be deemed to be filed on the date that it is filed electronically if it is filed not later than 11:59 p.m. on that date.

Sec. 25. NRS 281.573 is hereby amended to read as follows:

281.573 1. Except as otherwise provided in subsection 2, each financial disclosure statement required by the provisions of



1 NRS 281.556 to 281.581, inclusive, *and section 19 of this act* must
2 be retained by the Secretary of State for 6 years after the date of
3 filing.

4 2. For public officers who serve more than one term in either
5 the same public office or more than one public office, the period
6 prescribed in subsection 1 begins on the date of the filing of the last
7 financial disclosure statement for the last public office held.

8 **Sec. 26.** NRS 281.5745 is hereby amended to read as follows:

9 281.5745 1. The Secretary of State ~~[may adopt]~~ *shall:*

10 *(a) Administer the provisions of NRS 281.556 to 281.581,*
11 *inclusive, and section 19 of this act;*

12 *(b) Adopt any* regulations necessary to carry out the provisions
13 of NRS 281.556 to 281.581, inclusive ~~[]~~, *and section 19 of this*
14 *act; and*

15 *(c) Provide interpretations and take any other action necessary*
16 *to carry out the provisions of NRS 281.556 to 281.581, inclusive,*
17 *and section 19 of this act.*

18 2. *To the fullest extent practicable, the Secretary of State*
19 *shall confer and coordinate with the Director of the Legislative*
20 *Counsel Bureau to promote consistency and uniformity in the*
21 *interpretation and application of the provisions of NRS 281.556 to*
22 *281.581, inclusive, and section 19 of this act that are similar to the*
23 *provisions of:*

24 *(a) The Nevada Legislative Branch Lobbying Regulation Act*
25 *in chapter 218H of NRS; and*

26 *(b) The Nevada Executive Branch and Local Government*
27 *Lobbying Regulation Act in sections 2 to 18, inclusive, of this act.*

28 **Sec. 27.** Chapter 218H of NRS is hereby amended by adding
29 thereto the provisions set forth as sections 28, 29 and 30 of this act.

30 **Sec. 28.** 1. *“Client” means a person who employs, retains,*
31 *contracts for or otherwise uses or engages the services of a*
32 *lobbyist to represent the interests of the person to one or more*
33 *members of the Legislative Branch, whether or not any*
34 *compensation is paid for the services.*

35 2. *The term includes, without limitation, a client that is a*
36 *government, governmental agency or political subdivision of a*
37 *government.*

38 **Sec. 29.** 1. *“Immediate family,” with regard to a specific*
39 *person, means:*

40 *(a) The spouse or domestic partner of the person;*

41 *(b) A relative who lives in the same home or dwelling as the*
42 *person; or*

43 *(c) A relative who does not live in the same home or dwelling*
44 *as the person but who is dependent on and receiving substantial*
45 *support from the person.*



2. For the purposes of this section, "relative" means someone who is related to the person, or to the spouse or domestic partner of the person, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity.

Sec. 30. 1. The Director shall:

(a) Administer the provisions of this chapter; and

(b) Provide interpretations and take any other action necessary to carry out the provisions of this chapter.

2. To the fullest extent practicable, the Director shall confer and coordinate with the Secretary of State to promote consistency and uniformity in the interpretation and application of the provisions of this chapter that are similar to the provisions of:

(a) The Nevada Financial Disclosure Act in NRS 281.556 to 281.581, inclusive, and section 19 of this act; and

(b) The Nevada Executive Branch and Local Government Lobbying Regulation Act in sections 2 to 18, inclusive, of this act.

Sec. 31. NRS 218H.010 is hereby amended to read as follows:

218H.010 This chapter may be cited as the Nevada **Legislative Branch** Lobbying ~~Disclosure~~ Regulation Act.

Sec. 32. NRS 218H.020 is hereby amended to read as follows:

218H.020 The Legislature **finds and** declares that ~~the~~ :

1. The operation of responsible representative government requires that the fullest opportunity be afforded to the people to petition **or lobby** their government for the redress of grievances and to **exchange information and** express **their opinions** freely to ~~individual Legislators and to legislative committees their opinions on legislation.~~ **members of the Legislative Branch on matters relating to legislative action.**

2. Lobbying activities that involve unregulated gift-giving by lobbyists to members of the Legislative Branch and members of their immediate families create the appearance of impropriety and are inconsistent with and undermine the people's faith, trust and confidence in the honesty, integrity and fidelity of their representative government.

3. The public purpose of the provisions regulating gift-giving by lobbyists set forth in this chapter is to guard against the appearance of impropriety and the potential for undue influence and favoritism that may arise from such gift-giving and thereby promote and foster the people's faith, trust and confidence in the honesty, integrity and fidelity of their representative government.

4. To further this public purpose, the provisions regulating gift-giving by lobbyists set forth in this chapter must be liberally construed and broadly interpreted to achieve their intended public benefits, and if there is any uncertainty or doubt regarding the



interpretation or application of those provisions, that uncertainty or doubt must be resolved in favor of this public purpose.

Sec. 33. NRS 218H.030 is hereby amended to read as follows:

218H.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 218H.035 to 218H.110, inclusive, *and sections 28 and 29 of this act* have the meanings ascribed to them in those sections.

Sec. 34. NRS 218H.050 is hereby amended to read as follows:

218H.050 1. "Expenditure" means any of the following acts by a lobbyist while the Legislature is in a regular or special session:

(a) Any payment, conveyance, transfer, distribution, deposit, advance, loan, forbearance, subscription, pledge or rendering of money, services or anything else of value; or

(b) Any contract, agreement, promise or other obligation, whether or not legally enforceable, to make any such expenditure.

2. The term includes, without limitation:

(a) Anything of value provided for an educational or informational meeting, event or trip.

(b) The cost of a party, meal, function or other social event to which every Legislator is invited ~~to~~ *or which is open to the general public for free.*

3. The term does not include:

(a) A prohibited gift.

(b) A lobbyist's personal expenditures for his or her own food, beverages, lodging, travel expenses or membership fees or dues.

Sec. 35. NRS 218H.060 is hereby amended to read as follows:

218H.060 1. "Gift" means any payment, conveyance, transfer, distribution, deposit, advance, loan, forbearance, subscription, pledge or rendering of money, services or anything else of value, unless consideration of equal or greater value is received.

2. The term does not include:

(a) Any political contribution of money or services related to a political campaign.

(b) Any commercially reasonable loan made in the ordinary course of business.

(c) Anything of value provided for an educational or informational meeting, event or trip.

(d) The cost of a party, meal, function or other social event to which every Legislator is invited ~~to~~ *or which is open to the general public for free*, including, without limitation, the cost of food or beverages provided at the party, meal, function or other social event.

(e) Any ceremonial gifts received for a birthday, wedding, anniversary, holiday or other ceremonial occasion from a donor who is not a lobbyist.



(f) Anything of value received from a person who is:

(1) Related to the recipient, or to the spouse or domestic partner of the recipient, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity; or

(2) A member of the recipient's household.

Sec. 36. NRS 218H.070 is hereby amended to read as follows:

218H.070 "Legislative action" means introduction, sponsorship, debate, voting ~~[and]~~ *or* any other official action on ~~[any]~~ :

1. Any bill, resolution, amendment, nomination, appointment, report ~~[and any]~~ or other matter pending or proposed ~~[in]~~ before any member of the Legislative Branch, a legislative committee or ~~[in]~~ either House ~~[, or on any]~~ ; or

2. Any other matter which may be the subject of action by ~~[the Legislature,]~~ any member of the Legislative Branch, a legislative committee or either House.

Sec. 37. NRS 218H.080 is hereby amended to read as follows:

218H.080 1. "Lobbyist" means ~~[, except as limited by subsection 2,]~~ a person who:

(a) Appears in person in the Legislative Building or any other ~~[building]~~ *location* in which the Legislature or any of its standing committees hold meetings; and

(b) Communicates directly with a member of the Legislative Branch on behalf of someone other than himself or herself to influence legislative action, whether or not any compensation is received for the communication.

2. ~~["Lobbyist"]~~ *The term* does not include:

(a) Persons who confine their *lobbying* activities *solely and exclusively* to formal appearances *in which they testify* before legislative committees and who clearly identify themselves and the interest or interests for whom they are testifying.

(b) Employees of a bona fide news medium who meet the definition of "lobbyist" *set forth in subsection 1* only in the course of their professional duties and who ~~[contact Legislators]~~ *communicate with a member of the Legislative Branch solely and exclusively* for the ~~[sole]~~ purpose of carrying out their news gathering function.

(c) Employees of departments, divisions or agencies of the state government who appear before legislative committees ~~[only]~~ *solely and exclusively* to explain the effect of legislation *or other legislative action* related to their departments, divisions or agencies.

(d) Employees of the Legislature, Legislators, legislative agencies or legislative commissions.



(e) Elected officers of this State and its political subdivisions who confine their lobbying activities *solely and exclusively* to issues directly related to the scope of the office to which they were elected.

(f) Persons who ~~contact~~ *communicate with* the Legislators who are elected from the ~~district~~ *legislative districts* in which they reside.

(g) Persons who are clients of a lobbyist, unless such a person independently meets the definition of "lobbyist" set forth in subsection 1.

Sec. 38. NRS 218H.092 is hereby amended to read as follows:

218H.092 "Member of the Legislator's household" means a person who is a member of the Legislator's household for the purposes of *the Nevada Financial Disclosure Act in* NRS 281.556 to 281.581, inclusive ~~[-]~~, *and section 19 of this act.*

Sec. 39. NRS 218H.100 is hereby amended to read as follows:

218H.100 "Person" includes *, without limitation,* a group of persons acting in concert, whether or not formally organized.

Sec. 40. NRS 218H.210 is hereby amended to read as follows:

218H.210 The registration statement of a lobbyist must contain the following information:

1. The registrant's full name, permanent address, place of business and temporary address while lobbying.

2. The full name and complete address of each ~~[person,]~~ *client of the registrant,* if any ~~. [-, by whom the registrant is retained or employed or on whose behalf the registrant appears.]~~

3. A listing of any direct business associations or partnerships involving any current Legislator and the registrant or any ~~[person by whom]~~ *client of* the registrant ~~. [is retained or employed.]~~ The listing must include any such association or partnership constituting a source of income or involving a debt or interest in real estate required to be disclosed in a financial disclosure statement made by a public officer or candidate pursuant to NRS 281.571.

4. The name of any current Legislator for whom:

(a) The registrant; or

(b) Any ~~[person by whom]~~ *client of* the registrant ~~, [is retained or employed,]~~

↳ has, in connection with a political campaign of the Legislator, provided consulting, advertising or other professional services since the beginning of the preceding regular session.

5. A description of the principal areas of interest on which the registrant expects to lobby.

6. If the registrant lobbies or purports to lobby on behalf of members, a statement of the number of members.



1 7. A declaration under penalty of perjury that none of the
2 registrant's compensation or reimbursement is contingent, in whole
3 or in part, upon the production of any legislative action.

4 **Sec. 41.** NRS 218H.400 is hereby amended to read as follows:
5 218H.400 1. Each registrant shall file with the Director:

6 (a) Within 30 days after the close of a regular or special session,
7 a final report signed under penalty of perjury concerning the
8 registrant's lobbying activities; and

9 (b) Between the 1st and 10th day of the month after each month
10 that the Legislature is in a regular or special session, a report
11 concerning the registrant's lobbying activities during the previous
12 month, whether or not any expenditures were made.

13 2. Each report must:

14 (a) Be on a form prescribed by the Director; and

15 (b) Include the total of all expenditures, if any, made by the
16 registrant on behalf of a Legislator or an organization whose
17 primary purpose is to provide support for Legislators of a particular
18 political party and House, including expenditures made by others on
19 behalf of the registrant if the expenditures were made with the
20 registrant's express or implied consent or were ratified by the
21 registrant.

22 3. Except as otherwise provided in subsection 6, the report:

23 (a) Must identify each Legislator and each organization whose
24 primary purpose is to provide support for Legislators of a particular
25 political party and House on whose behalf expenditures were made;

26 (b) Must be itemized with respect to each such Legislator and
27 organization; and

28 (c) Does not have to include any expenditure made on behalf of
29 a person other than a Legislator or an organization whose primary
30 purpose is to provide support for Legislators of a particular political
31 party and House, unless the expenditure is made for the benefit of a
32 Legislator or such an organization.

33 4. If expenditures made by or on behalf of a registrant during
34 the previous month exceed \$50, the report must include a
35 compilation of expenditures, itemized in the manner required by the
36 regulations of the Legislative Commission.

37 5. The Legislative Commission may authorize an audit or
38 investigation by the Legislative Auditor that is proper and necessary
39 to verify compliance with the provisions of this section. If the
40 Legislative Commission authorizes such an audit or investigation:

41 (a) A lobbyist shall make available to the Legislative Auditor all
42 books, accounts, claims, reports, vouchers and other records
43 requested by the Legislative Auditor in connection with any such
44 audit or investigation.



(b) The Legislative Auditor shall confine requests for such records to those which specifically relate to the lobbyist's compliance with the reporting requirements of this section.

6. A report filed pursuant to this section must not itemize with respect to each Legislator an expenditure if the expenditure is the cost of a party, meal, function or other social event to which every Legislator was invited ~~H~~ *or which was open to the general public for free.*

Sec. 42. NRS 218H.500 is hereby amended to read as follows:

218H.500 1. The Legislative Commission shall adopt regulations to carry out the provisions of this chapter.

2. The Legislative Commission may, except as otherwise provided in this subsection, require fees for registration, payable into the Legislative Fund. For the purposes of fees for registration, the Legislative Commission shall classify lobbyists as follows:

(a) Except as otherwise provided in paragraph (c), a lobbyist who receives any compensation for his or her lobbying activities.

(b) Except as otherwise provided in paragraph (c) or (d), a lobbyist who does not receive any compensation for his or her lobbying activities.

(c) Except as otherwise provided in paragraph (d), a lobbyist whose lobbying activities are only on behalf of one or more nonprofit organizations that are recognized as exempt under section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3). Such a lobbyist is not required to pay a fee of more than \$100 for registration pursuant to this subsection.

(d) A veteran who does not receive compensation for the veteran's lobbying activities and who provides proof of his or her discharge or release from the Armed Forces of the United States, a reserve component thereof or the National Guard under honorable conditions. Such a lobbyist is not required to pay any fee for registration pursuant to this subsection.

3. The Director shall:

(a) Prepare and furnish forms for the statements and reports required to be filed.

(b) Prepare and publish uniform methods of accounting and reporting to be used by persons required to file such statements and reports, including guidelines for complying with the reporting requirements of this chapter.

(c) Accept and file any information voluntarily supplied that exceeds the requirements of this chapter.

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of this chapter.

(e) Make the statements and reports available for public inspection during regular office hours.



(f) Preserve the statements and reports for a period of 5 years from the date of filing.

(g) Compile and keep current an alphabetical list of registrants, which must include each registrant's address, the name and address of each ~~[person for whom]~~ *client of* the registrant ~~[is lobbying]~~ and the principal areas of interest on which the registrant expects to lobby. A copy of the list must be furnished to each Legislator, to the clerks of the respective counties for preservation and public inspection, and to any person who requests a copy and pays the cost of reproduction.

Sec. 43. NRS 218H.530 is hereby amended to read as follows:
218H.530 1. The Director shall:

(a) Make investigations on the Director's own initiative with respect to any irregularities which the Director discovers in the statements and reports filed and with respect to the failure of any person to file a required statement or report and shall make an investigation upon the written complaint of any person alleging a violation of any provision of this chapter.

(b) Report suspected violations of law to the:

(1) Legislative Commission; and

(2) Attorney General, who shall investigate and take any action necessary to carry out the provisions of this chapter.

2. If an investigation by the Director reveals a violation of any provision of this chapter by a lobbyist, the Director may suspend the lobbyist's registration for a specified period or revoke the lobbyist's registration. The Director shall cause notice of such action to be given to each ~~[person who employs or uses]~~ *client of* the lobbyist.

3. A lobbyist whose registration is suspended or revoked by the Director may:

(a) Request a hearing on the matter before the Director;

(b) Appeal to the Legislative Commission from any adverse decision of the Director; and

(c) If the lobbyist's registration is suspended, renew the lobbyist's registration if the Legislature is still in a regular or special session following the period of suspension.

4. A lobbyist whose registration is revoked may, with the consent of the Director, renew the lobbyist's registration if the lobbyist:

(a) Files a registration statement in the form required by NRS 218H.200;

(b) Pays any fee for late filing owed pursuant to NRS 218H.410, plus the fee for registration prescribed by the Legislative Commission; and



(c) If the revocation occurred because of the lobbyist's failure to file an activity report, files that report.

Sec. 44. NRS 218H.540 is hereby amended to read as follows:

218H.540 1. *The provisions of this chapter do not establish a private right of action against any person who is subject to its provisions.*

2. *In addition to any other remedies or penalties provided by law, the Attorney General may bring a civil action in the district court to enforce the provisions of this chapter against any person who is subject to its provisions. In such a civil action:*

(a) The district ~~[courts may issue]~~ court may:

(1) *Issue declaratory judgments, injunctions and any other appropriate orders to enforce the provisions of this chapter ~~[upon application by the Attorney General.]~~ ; and*

(2) *Impose civil penalties not to exceed \$1,000 for each violation of the provisions of this chapter.*

(b) *An aggrieved party may appeal any final judgment of the district court to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6 of the Nevada Constitution. The appeal must be taken as in other civil cases.*

Sec. 45. NRS 218H.930 is hereby amended to read as follows:

218H.930 1. A lobbyist shall not knowingly or willfully make any false statement or misrepresentation of facts:

(a) To any member of the Legislative Branch in an effort to persuade or influence the member in ~~[his or her official actions.]~~ *any legislative action.*

(b) In a registration statement or report concerning lobbying activities filed with the Director.

2. A lobbyist shall not knowingly or willfully give any gift to a member of the Legislative Branch or a member of his or her immediate family ~~[]~~ *or otherwise directly or indirectly arrange, facilitate or serve as a conduit for such a gift,* whether or not the Legislature is in a regular or special session.

3. A member of the Legislative Branch or a member of his or her immediate family shall not knowingly or willfully solicit or accept any gift from a lobbyist, whether or not the Legislature is in a regular or special session.

4. A ~~[person who employs or uses]~~ *client of* a lobbyist shall not make that lobbyist's compensation or reimbursement contingent in any manner upon the outcome of any legislative action.

5. Except during the period permitted by NRS 218H.200, a person shall not knowingly act as a lobbyist without being registered as required by that section.



6. Except as otherwise provided in subsection 7, a member of the Legislative or Executive Branch of the State Government and an elected officer or employee of a political subdivision shall not receive compensation or reimbursement other than from the State or the political subdivision for personally engaging in lobbying.

7. An elected officer or employee of a political subdivision may receive compensation or reimbursement from any organization whose membership consists of elected or appointed public officers.

8. A lobbyist shall not instigate the introduction of any legislation for the purpose of obtaining employment to lobby in opposition to that legislation.

9. A lobbyist shall not make, commit to make or offer to make a monetary contribution to a Legislator, the Lieutenant Governor, the Lieutenant Governor-elect, the Governor or the Governor-elect during the period beginning:

(a) Thirty days before a regular session and ending 30 days after the final adjournment of a regular session;

(b) Fifteen days before a special session is set to commence and ending 15 days after the final adjournment of a special session, if:

(1) The Governor sets a specific date for the commencement of the special session that is more than 15 days after the date on which the Governor issues the proclamation calling for the special session pursuant to Section 9 of Article 5 of the Nevada Constitution; or

(2) The members of the Legislature set a date on or before which the Legislature is to convene the special session that is more than 15 days after the date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, by the required number of members calling for the special session pursuant to Section 2A of Article 4 of the Nevada Constitution; or

(c) The day after:

(1) The date on which the Governor issues the proclamation calling for the special session and ending 15 days after the final adjournment of the special session if the Governor sets a specific date for the commencement of the special session that is 15 or fewer days after the date on which the Governor issues the proclamation calling for the special session; or

(2) The date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, by the required number of members of the Legislature calling for the special session and ending 15 days after the final adjournment of the special session if the members set a date on or before which the Legislature is to convene the special session that is 15 or fewer days after the date on which the Secretary of State receives the petitions.



1 **Sec. 46.** The provisions of this act do not apply to:

2 1. Any act or conduct that occurs before January 1, 2020.

3 2. Any financial disclosure statement that is filed by a public
4 officer or candidate to report information for any period that ends
5 before January 1, 2020.

6 **Sec. 47.** This act becomes effective:

7 1. Upon passage and approval for the purpose of adopting any
8 regulations and performing any other preparatory administrative
9 tasks necessary to carry out the provisions of this act; and

10 2. On January 1, 2020, for all other purposes.

