MINUTES OF THE SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS

Eightieth Session February 6, 2019

The Senate Committee on Legislative Operations and Elections was called to order by Chair James Ohrenschall at 4:02 p.m. on Wednesday, February 6, 2019, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator James Ohrenschall, Chair Senator Nicole J. Cannizzaro, Vice Chair Senator Yvanna D. Cancela Senator Heidi Seevers Gansert Senator Keith F. Pickard

STAFF MEMBERS PRESENT:

Michael Stewart, Policy Analyst Kevin Powers, Committee Counsel Diane Rea, Committee Secretary

OTHERS PRESENT:

Yvonne Nevarez-Goodson, Executive Director, Commission on Ethics

Chair James Ohrenschall opened the meeting.

Michael Stewart, Policy Analyst, gave his Committee Brief (Exhibit C), saying the brief highlights aspects of the Committee including the jurisdiction, bill statistics and topics expected to be heard.

Mr. Stewart stated the jurisdiction is largely the same as the Assembly Legislative Operations and Elections Committee. In addition to election issues, this Committee also handles matters relating to the State personnel system.

Mr. Stewart noted that many Committee bills propose Interim studies or relate to legislative measures, and they are exempt from Committee deadlines under the legislative business exemption as set in Joint Standing Rule No. 14.6. Because of that reason, this Committee is typically busier than other Committees after the deadline for Second House passages.

Mr. Stewart also provided a contact list of 2019 Key Election Officials in Nevada (Exhibit D).

Senator Pickard asked about the asterisks on the list of prefilled bills next to joint resolutions and how to access them.

Mr. Stewart said the ones with asterisks have been returned for a second go-around.

Chair Ohrenschall reviewed the proposed Committee Rules (Exhibit E) and asked for approval by this Committee.

SENATOR CANNIZZARO MOVED TO ADOPT THE COMMITTEE RULES.

SENATOR PICKARD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Ohrenschall referred to Senate Bill (S.B.) 129, which has been referred to this Committee.

SENATE BILL 129: Makes various changes relating to ethics in government. (BDR 23-191).

Yvonne Nevarez-Goodson, Executive Director, Commission on Ethics, began by introducing members of Ethics who are in attendance to include Cheryl Lau, Chair; Commissioners P.K. O'Neill and Kim Wallin; and Commission Counsel Tracy Chase.

Ms. Nevarez-Goodson reviewed her Nevada Ethics in Government Law presentation (Exhibit F), adding that the goal of the Commission is to establish

some neutralities with no more than four members from any one political party and to ensure the public's trust in government. What they look at is conflicts of interest and standards of conduct that apply to public officers and employees.

Ms. Nevarez-Goodson stated that funding for the Commission comes from 28 percent of the State General Fund; 72 percent, local government funds.

Ms. Nevarez-Goodson stated the interpretation and guidance of the Ethics in Government law comes from the confidential advisory opinion process, which is waived as a result of S.B. No. 84 of the 79th Session.

Ms. Nevarez-Goodson stated the least favorite thing the Commission gets to do is respond to ethics complaints. It would rather address questions on conduct through advisory opinions.

Ms. Nevarez-Goodson reviewed the standards of conduct, explaining the first is prohibited gifts and the second is improper use of an official position. She stated the amendments will provide an established written policy that is effective in advance of the conduct.

Ms. Nevarez-Goodson clarified <u>S.B. 129</u> will bring amendments with regard to persons negotiating employment and will put in a reverse cooling-off prohibition.

Chair Ohrenschall asked about the difference in the two statutory provisions with relief available under *Nevada Revised Statutes* (NRS) 281A.550 but not under NRS 281A.410 and how that works in terms of who might be eligible for relief from the Ethics Commission.

Ms. Nevarez-Goodson replied the NRS 281A.550 deals with employment by a business or industry that is regulated by the agency, giving them relief in appropriate circumstances for someone seeking employment by those restrictions. The difference in NRS 281A.410 is a prohibition against a public official or employee representing or counseling a private person who was before the agency during his or her tenure.

Chair Ohrenschall asked about a public employee who has left full-time service but is still working as a contractor consulting the former agency. Would the agency regulate whether other clients had been regulated by it before?

Ms. Nevarez-Goodson replied that those employed by a government agency would not be going into the private sector, so that would not include the cooling-off section. An agency would impose the one-year cooling-off period if representing or counseling a private person on issues before that government agency, so it ties back to the private entity or person.

Chair Ohrenschall clarified that one doing contract work with a former employer in the public sector would still be considered a public employee.

Ms. Nevarez-Goodson stated the amendment in 2017 would expand the definition of public officers to include certain contract public officers who were working full time on a consulting basis.

Ms. Nevarez-Goodson stated she is related to public employees in the State. She would be responsible to disclose this and have the issue delegated to another employee. She said abstaining is not mandatory.

Ms. Nevarez-Goodson said the biggest change in <u>S.B. 129</u> is to eliminate what constitutes a violation verses a willful violation to determine if a penalty is appropriate. The effect of eliminating a willful violation will also change the scope of safe harbor protection. This change, if adopted, would eliminate the finding of any violation by a public official who has relied on legal advice of the public attorney who represents the agency, not a private attorney.

Chair Ohrenschall asked about an anonymous complaint.

Ms. Nevarez-Goodson replied that the Commission does not have the authority to accept an anonymous complaint. A provision has been added to authorize the Commission to accept complaints from members of an agency if filing against a public official or employee, and they served in the same agency. They could request their identities be kept confidential. Their names would have to be revealed to the agency, so the complaint would not be anonymous.

Chair Ohrenschall asked if a deferral agreement requires an admission of a violation.

Ms. Nevarez-Goodson replied no. There is no finding of a violation by virtue of a deferral agreement. She said the Commission has seen a lot of progress in its

ability to navigate through ethics complaints as a result of S.B. No. 84 of the 79th Session.

Ms. Nevarez-Goodson stated the Commission does not have the authority to remove a public official from office, but if there has been a finding of three or more willful violations, the Commission is mandated to move for the removal either through district courts, for certain local positions, or Legislature, for impeachment proceedings, for Legislators or State Constitutional Officers.

Ms. Nevarez-Goodson reviewed the FY18 & FY19 Case Statistics handout (<u>Exhibit G</u>) and provided the fiscal year Annual Report as of July 1, 2018 (<u>Exhibit H</u>), and stated this is essentially a rewrite of Nevada Administrative Code 281A.

Remainder of page intentionally left blank; signature page to follow.

Chair Ohrenschall stated there being no further business, this meeting is adjourned at 5:25 p.m.

	RESPECTFULLY SUBMITTED:	
	Diane Rea, Committee Secretary	
APPROVED BY:		
Senator James Ohrenschall, Chair	_	
DATE:		

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	Α	1		Agenda
	В	2		Attendance Roster
	С	8	Michael Stewart	Committee Brief
	D	2	Michael Stewart	2019 Key Election Officials in Nevada
	Е	2	Senator James Ohrenschall	Committee Rules 2019
	F	31	Yvonne Nevarez-Goodson	Nevada Ethics presentation
	G	1	Yvonne Nevarez-Goodson	FY18 & FY19 Case Statistics
	Н	30	Yvonne Nevarez-Goodson	Annual Report - July 1, 2018