NEVADA LEGISLATURE

Eighty-First Session, 2021

ASSEMBLY DAILY JOURNAL

THE ONE HUNDRED AND EIGHTEENTH DAY

CARSON CITY (Saturday), May 29, 2021

Assembly called to order at 2:27 p.m.

Mr. Speaker presiding.

Roll called.

All present except Assemblyman Wheeler, who was excused.

Prayer by the Chaplain, Pastor J.J. Tuttle, read by Susan Furlong.

God of Wisdom, we seek Your help today. Come and let Your wisdom fall upon us, O Lord, as we gather for this meeting. Give us clarity so that we can effectively tackle each part of today's agenda. Reveal problem areas and show us the best solutions that will apply. Point our eyes to every positive outcome since our last assembly and let these favorable results and developments encourage every heart in this room. Dear God, help us apply Your wisdom as we decide on certain matters and make plans. This we pray.

AMEN.

Pledge of allegiance to the Flag.

Assemblywoman Benitez-Thompson moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Government Affairs, to which was rereferred Senate Bill No. 205, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

EDGAR FLORES, Chair

Mr. Speaker:

Your Committee on Judiciary, to which was referred Senate Bill No. 236, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Steve Yeager, Chair



Mr. Speaker:

Your Committee on Legislative Operations and Elections, to which was referred Assembly Concurrent Resolution No. 3, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and be adopted as amended.

BRITTNEY MILLER. Chair

Mr. Speaker:

Your Committee on Ways and Means, to which was rereferred Assembly Bill No. 65, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Ways and Means, to which were referred Senate Bills Nos. 451, 459, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MAGGIE CARLTON, Chair

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 29, 2021

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 460, Amendment No. 812; Assembly Bill No. 480, Amendment No. 803, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to recede from its action on Assembly Bill No. 368, Senate Amendment No. 615, and requests a conference, and appointed Senators Neal, Harris and Hansen as a Conference Committee to meet with a like committee of the Assembly.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended. Senate Bill No. 367.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

Assembly Concurrent Resolution No. 3.

Resolution read.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 818.

ASSEMBLY CONCURRENT RESOLUTION—Requiring the Legislative Commission to appoint an interim committee to conduct a study concerning environmental justice.

WHEREAS, Technological progress has advanced society, bringing economic prosperity to some but also resulting in significant degradation to the environment, the effects of which have been disproportionately borne by a subset of the population globally and in the State of Nevada; and

WHEREAS, The United States Environmental Protection Agency defines environmental justice as the fair treatment and meaningful involvement of all people regardless of race, color, national origin or income with respect to the development, implementation and enforcement of environmental laws, regulations and policies; and

WHEREAS, Environmental justice will be achieved only when all people have the same degree of protection from environmental and health hazards and

an equal opportunity to have meaningful involvement in the development, implementation and enforcement of environmental laws, regulations and policies; and

WHEREAS, The State has not historically contemplated principles of environmental justice, especially with regard to the exploitation of its natural resources, the appropriation of land from indigenous communities and pollution from various industries; and

WHEREAS, The State has broad powers related to natural resources, technological progress and environmental equity, including powers related to permitting, proposing legislation, promulgating regulations and enforcing such laws and regulations which impact the air, climate, land and water of this State; and

WHEREAS, In the exercise of such powers, the State must examine the impact of state and local decision-making to determine whether the actions of the State and local governments degrade the quality of the environment, in order to provide the information necessary to ensure such actions minimize habitat and ecosystem destruction, respect community perspectives and promote environmental justice; and

WHEREAS, Given the State's unique environment, natural resources and indigenous and other underserved communities, a state-level environmental review process incorporating environmental justice principles and broad input from a diverse array of stakeholders would enable the State to receive much-needed input from experts on environmental impact review, state and federal agencies and local communities, resulting in a more transparent and consistent process; and

WHEREAS, the Legislature has an inherent interest in the health, safety and general welfare of all Nevadans; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the Legislative Commission is hereby directed to appoint an interim committee composed of three members of the Assembly and three members of the Senate, one of whom must be appointed by the Legislative Commission as Chair of the interim committee, to conduct an interim study concerning environmental justice in this State; and be it further

RESOLVED, That the study must include, without limitation, an examination of:

- 1. Recommendations for legislation to develop an environmental justice review process <u>for use</u> in any <u>proposed</u> environmental action or review undertaken by the State or a political subdivision of the State, which [may]:
- (a) Must include, without limitation, a requirement that the proposed environmental action or review mitigate environmental degradation and promote principles of environmental justice; and
- **(b)** May include, without limitation, a consideration of [additional] any costs resulting from the review process and the subsequent need to revise any associated fees;

- 2. Criteria to trigger a state, county or other local review process, including projects that are subject to Federal review under the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 et seq.;
- 3. Gaps in existing programs, policies, for a activities or investments that may impede the achievement of environmental justice, with special attention to identifying any reasons for a lack of engagement from marginalized communities;
- 4. Procedures to ensure public documents, notices and public hearings relating to human health or the environment are concise, understandable and readily accessible to the public;
- 5. Procedures for the review of projects that provide for effective coordination with local governments, consistency in the review process and accountability to affected communities, project proponents and regulators;
- 6. Procedures for collecting, maintaining, analyzing and coordinating information relating to an environmental justice strategy in this State;
- 7. Barriers to developing an interagency environmental justice strategy for the State; and
- 8. Any other matters related to environmental justice; and be it further Resolved, That the interim committee shall, in a series of public hearings conducted throughout the State, consult with and solicit the input of state, federal and local agencies, affected communities, the public as a whole and other interested stakeholders, including, without limitation:
- 1. State and local government agencies which oversee state, local or regional air quality regulations, environmental protection requirements, housing, land use planning, natural resources and transportation;
 - 2. Representatives from environmental organizations;
 - 3. Representatives from the business community; and
- 4. Representatives from community organizations, including indigent populations and other underserved communities; and be it further

RESOLVED, That the interim committee shall conduct such hearings in a manner that allows for optimal public engagement and the sharing of perspectives; and be it further

RESOLVED, That the Chair may appoint such subcommittees or technical advisory groups as the Chair determines necessary to assist the interim committee in carrying out the duties prescribed by this resolution; and be it further

RESOLVED, That the members of any technical advisory group appointed pursuant to this resolution are not required to be members of the interim committee and any members who are not members of the interim committee serve without compensation; and be it further

RESOLVED, That any recommended legislation proposed by the interim committee be approved by a majority of the members of the Assembly and a majority of the members of the Senate appointed to the interim committee; and be it further

RESOLVED, That the Legislative Commission submit a report of the results of the study and any recommendations for legislation to the 82nd Session of the Nevada Legislature; and be it further

RESOLVED, That this resolution becomes effective upon adoption.

Assemblywoman Brittney Miller moved the adoption of the amendment.

Remarks by Assemblywoman Brittney Miller.

Amendment adopted.

Resolution ordered reprinted, engrossed and to the Resolution File.

UNFINISHED BUSINESS

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Yeager, Nguyen, and Krasner as a Conference Committee to meet with a like committee of the Senate for the further consideration of Assembly Bill No. 440.

CONSIDERATION OF SENATE AMENDMENTS

Assembly Bill No. 148.

The following Senate amendment was read:

Amendment No. 577.

AN ACT relating to mining; revising the application requirements for obtaining a permit to engage in an exploration project or mining operation; prohibiting certain persons from obtaining such a permit; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits a person from engaging in certain exploration projects or mining operations without a permit issued for that purpose by the Division of Environmental Protection of the State Department of Conservation and Natural Resources. (NRS 519A.180, 519A.200) Existing law further: (1) requires certain information to be included in an application for such a permit, including the name and address of the applicant and, if the applicant is a corporation or other business entity, the name and address of its principal officers; and (2) prohibits the issuance of such a permit to an applicant who is in default on any obligation relating to reclamation. (NRS 519A.190, 519A.210)

Sections 1 and 2 of this bill require an applicant for such a permit who is a corporation or business entity to submit with the application the name and address of each person who has a controlling interest in the corporation or business entity. Sections 1 and 2 further require an applicant to submit an affidavit that states whether or not the applicant and each person who has a controlling interest in the corporation or business entity is in good standing with all agencies of other states and federal agencies in relation to the reclamation of exploration projects or mining operations outside of this State.

Sections 1 and 2 prohibit the issuance of a permit to any applicant that is a corporation or other business entity if any person who has a controlling interest

in the corporation or business entity has or previously had a controlling interest in another corporation or business entity that has defaulted on any obligation relating to reclamation unless the applicant: (1) pays the full amount of the defaulted obligation or provides evidence of satisfaction of the defaulted obligation; and (2) demonstrates that the conditions which led to the default have been remedied and no longer exist.

Sections 1 and 2 further prohibit the issuance of a permit if the applicant or, if the applicant is a corporation or other business entity, a person who has a controlling interest in the corporation or business entity is not in good standing with an agency of another state or a federal agency in relation to the reclamation of an exploration project or mining operation outside of this State unless the applicant or person who has a controlling interest remedies all issues relating to the reclamation of the exploration project or mining operation outside of this State and becomes in good standing with all agencies of the other state and federal agencies [-] in relation to the reclamation of the exploration project or mining operation outside of this State.

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

- **Section 1.** NRS 519A.190 is hereby amended to read as follows:
- 519A.190 *1.* A person who desires to engage in an exploration project must:
- [1.] (a) File with the Division, upon a form approved by it, an application for a permit. The application must include:
- $\frac{\{(a)\}}{(1)}$ (1) The name and address of the applicant and, if **the applicant is** a corporation or other business entity $\frac{1}{1}$, the $\frac{1}{1}$:
- (I) The name and address of [its principal officers and its] each person who has a controlling interest in the corporation or business entity; and
- (II) The name and address of the registered agent of the corporation or business entity for service of process;
- {(b)} (2) An exploration map or sketch in sufficient detail to enable the Division to locate the area to be explored and to determine whether significant environmental problems are likely to result;
- $\{(e)\}$ (3) The kinds of prospecting and excavation techniques that will be used in the exploration project; $\{(e)\}$
- —(d)] (4) An affidavit stating whether or not the applicant and, if applicable, each person who has a controlling interest in the corporation or business entity is in good standing with all agencies of other states and federal agencies in relation to the reclamation of exploration projects outside of this State; and
- (5) Any other information required by the regulations adopted by the Commission pursuant to NRS 519A.160.
- [2.] (b) Pay to the Division the application fee established in the regulations adopted by the Commission pursuant to NRS 519A.160.

- [3.] (c) Agree in writing to assume responsibility for the reclamation of any surface area damaged as a result of the exploration project.
- [4. Not be in default of any other obligation relating to reclamation pursuant to this chapter.
- —5.] (d) File with the Division a bond or other surety in a form approved by the Administrator and in an amount required by the regulations adopted by the Commission pursuant to NRS 519A.160.
- 2. Except as otherwise provided in subsections 3 and 4, the Division shall not issue a permit to engage in an exploration project pursuant to this section to an applicant if:
- (a) The applicant has defaulted on any obligation relating to reclamation pursuant to this chapter, including, without limitation, by forfeiting a surety or failing to pay the full costs of reclamation or any penalty assessed pursuant to NRS 519A.280;
- (b) For an applicant who is a corporation or other business entity, any person who has a controlling interest in the corporation or business entity has or previously had a controlling interest in another corporation or business entity that defaulted on any obligation relating to reclamation pursuant to this chapter, including, without limitation, by forfeiting a surety or failing to pay the full costs of reclamation or any penalty assessed pursuant to NRS 519A.280; or
- (c) The applicant or, if the applicant is a corporation or other business entity, a person who has a controlling interest in the corporation or business entity is not in good standing with an agency of another state or a federal agency in relation to the reclamation of an exploration project outside of this State.
- 3. The Division may issue a permit to engage in an exploration project pursuant to this section to an applicant described in paragraph (a) or (b) of subsection 2 if the applicant:
- (a) Pays to the Division the full amount of the defaulted obligation described in paragraph (a) or (b) of subsection 2, as applicable, or provides evidence of satisfaction of that defaulted obligation; and
- (b) Demonstrates to the Division that any conditions which led to the default have been remedied and that such conditions no longer exist.
- 4. The Division may issue a permit to engage in an exploration project pursuant to this section to an applicant described in paragraph (c) of subsection 2 if the applicant demonstrates to the Division that the applicant or person who has a controlling interest in the corporation or business entity has remedied all issues related to the reclamation of the exploration project outside of this State and becomes in good standing with all agencies of the other state and federal agencies in relation to the reclamation of the exploration project.
- 5. As used in this section, "person who has a controlling interest" means [a person who:

- (a) Owns or controls a majority of the voting stock or holds any other controlling interest, directly or indirectly, in a corporation or other business entity that gives the person!
- (a) The president, secretary, treasurer or equivalent thereof of the corporation or business entity;
- (b) A partner, director or trustee of the corporation or business entity; or
- (c) A person who, directly or indirectly, possesses the power to direct the management or determine the policy $\frac{1}{1}$; or
- (b) Is a principal officer, partner, director or trustee of al of the corporation or business entity [1-] resulting from, without limitation, his or her ownership of voting stock in the corporation or business entity, a contract or any other circumstance.
- The term does not include a person designated to act as a proxy, including, without limitation, an agent, bank, broker, nominee or custodian, for one or more persons who own voting stock unless the proxy otherwise has the power to direct the management or determine the policy of the corporation or business entity.
 - **Sec. 2.** NRS 519A.210 is hereby amended to read as follows:
 - 519A.210 *1.* A person who desires to engage in a mining operation must:
- [1.] (a) File with the Division, upon a form approved by it, an application for a permit for each location at which the person will conduct operations. The application must include:
- {(a)} (1) The name and address of the applicant and, if *the applicant is* a corporation or other business entity {, the}:
- (I) The name and address of [its principal officers and its] each person who has a controlling interest in the corporation or business entity; and
- (II) The name and address of the registered agent of the corporation or business entity for service of process;
- $\frac{\{(b)\}}{(2)}$ (2) A completed checklist developed by the Division pursuant to NRS 519A.220; $\frac{1}{2}$
- —(c)] (3) An affidavit stating whether or not the applicant and, if applicable, each person who has a controlling interest in the corporation or business entity is in good standing with all agencies of other states and federal agencies in relation to the reclamation of mining operations outside of this State; and
- (4) Any other information required by the regulations adopted by the Commission pursuant to NRS 519A.160.
- [2.] (b) Pay to the Division the application fee established in the regulations adopted by the Commission pursuant to NRS 519A.160.
- [3.] (c) Agree in writing to assume responsibility for the reclamation of any land damaged as a result of the mining operation.
- [4. Not be in default of any other obligation relating to reclamation pursuant to this chapter.

- -5.1 (d) File with the Division a bond or other surety in a form and amount required by the regulations adopted by the Commission pursuant to NRS 519A.160.
- [6.] (e) File with the Division of Minerals of the Commission on Mineral Resources a copy of the plan for reclamation which is filed with the application pursuant to [subsection 1,] paragraph (a), on the same day the application is filed with the Division.
- 2. Except as otherwise provided in subsections 3 and 4, the Division shall not issue a permit to engage in a mining operation pursuant to this section to an applicant if:
- (a) The applicant has defaulted on any obligation relating to reclamation pursuant to this chapter, including, without limitation, by forfeiting a surety or failing to pay the full costs of reclamation or any penalty assessed pursuant to NRS 519A.280;
- (b) For an applicant who is a corporation or other business entity, any person who has a controlling interest in the corporation or business entity has or previously had a controlling interest in another corporation or business entity that defaulted on any obligation relating to reclamation pursuant to this chapter, including, without limitation, by forfeiting a surety or failing to pay the full costs of reclamation or any penalty assessed pursuant to NRS 519A.280; or
- (c) The applicant or, if the applicant is a corporation or other business entity, a person who has a controlling interest in the corporation or business entity is not in good standing with an agency of another state or a federal agency in relation to the reclamation of a mining operation outside of this State.
- 3. The Division may issue a permit to engage in a mining operation pursuant to this section to an applicant described in paragraph (a) or (b) of subsection 2 if the applicant:
- (a) Pays to the Division the full amount of the defaulted obligation described in paragraph (a) or (b) of subsection 2, as applicable, or provides evidence of satisfaction of that defaulted obligation; and
- (b) Demonstrates to the Division that any conditions which led to the default have been remedied and that such conditions no longer exist.
- 4. The Division may issue a permit to engage in a mining operation pursuant to this section to an applicant described in paragraph (c) of subsection 2 if the applicant demonstrates to the Division that the applicant or person who has a controlling interest in the corporation or business entity has remedied all issues related to the reclamation of the mining operation outside of this State and becomes in good standing with all agencies of the other state and federal agencies in relation to the reclamation of the mining operation.
- 5. As used in this section, "person who has a controlling interest" means [a person who:

- (a) Owns or controls a majority of the voting stock or holds any other controlling interest, directly or indirectly, in a corporation or other business entity that gives the person!
- (a) The president, secretary, treasurer or equivalent thereof of the corporation or business entity;
- (b) A partner, director or trustee of the corporation or business entity; or
- (c) A person who, directly or indirectly, possesses the power to direct the management or determine the policy f; or
- (b) Is a principal officer, partner, director or trustee of al of the corporation or business entity [1-] resulting from, without limitation, his or her ownership of voting stock in the corporation of business entity, a contract or any other circumstance.
- → The term does not include a person designated to act as a proxy, including, without limitation, an agent, bank, broker, nominee or custodian, for one or more persons who own voting stock unless the proxy otherwise has the power to direct the management or determine the policy of the corporation or business entity.
 - **Sec. 3.** 1. This section becomes effective upon passage and approval.
 - 2. Sections 1 and 2 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On April 1, 2022, for all other purposes.

Assemblyman Watts moved that the Assembly concur in the Senate Amendment No. 577 to Assembly Bill No. 148.

Remarks by Assemblyman Watts.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 121.

The following Senate amendment was read:

Amendment No. 759.

[ASSEMBLYWOMAN] ASSEMBLYMEN COHEN; ANDERSON, BILBRAY-AXELROD, BROWN-MAY, CARLTON, DURAN, FLORES, FRIERSON, GONZÁLEZ, GORELOW, JAUREGUI, MARTINEZ, MARZOLA, BRITTNEY MILLER, C.H. MILLER, MONROE-MORENO, NGUYEN, ORENTLICHER, PETERS, SUMMERS-ARMSTRONG, THOMAS, TORRES, WATTS AND YEAGER JOINT SPONSORS: SENATORS OHRENSCHALL, SPEARMAN AND LANGE

AN ACT relating to elections; requiring the Secretary of State to allow an elector with a disability to register to vote and a registered voter with a disability to request and cast an absent ballot using the system of approved electronic transmission established for certain uniformed military and overseas voters; setting forth certain requirements for such an elector or registered voter to use the system of approved electronic transmission; eliminating the requirement to cancel a person's voter registration if a person changes his

or her party affiliation; revising the deadline by which certain uniformed military and overseas voters may submit an application to register to vote or a request for a military-overseas ballot; making various other changes related to the system of approved electronic transmission established for certain uniformed military and overseas voters; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Secretary of State to establish a system of approved electronic transmission through which certain uniformed military and overseas voters may register to vote, apply for a military-overseas ballot and cast a military-overseas ballot. (NRS 293D.200) **Section 1** of this bill requires the Secretary of State to allow the system of approved electronic transmission to be used by: (1) an elector with a disability to register to vote; and (2) a registered voter with a disability to apply for and cast an absent ballot. **Section 1** also requires the system of approved electronic transmission to allow such an elector or registered voter to provide his or her digital or electronic signature on any document or other material that is necessary for the elector to register to vote or the registered voter to apply for and cast an absent ballot. **Section 1** further requires the Secretary of State to prescribe procedures to be used by local elections officials in accepting, handling and counting absent ballots received from a registered voter with a disability using the system of approved electronic transmission.

Sections 2-12 of this bill make conforming changes related to allowing the use of the system of approved electronic transmission by an elector with a disability to register to vote and a registered voter with a disability to request and cast an absent ballot.

Existing law authorizes certain uniformed military and overseas voters to: (1) use a federal postcard application or the application's electronic equivalent to apply to register to vote; or (2) use the declaration accompanying the federal write-in absentee ballot to apply to register to vote simultaneously with the submission of the federal write-in absentee ballot if the application or the declaration, as applicable, is received by the appropriate elections official by the seventh day before the election. (NRS 293D.230) Existing law further authorizes certain uniformed military and overseas voters to submit an application for a military-overseas ballot by the seventh day before the election. (NRS 293D.300, 293D.310) Existing law also requires a militaryoverseas ballot to be received by the appropriate local elections official not later than the close of the polls. (NRS 293D.400) Sections 13-16 of this bill provide that the deadline for certain uniformed military and overseas voters to: (1) submit a federal postcard application or the application's electronic equivalent to apply to register to vote; (2) submit the federal write-in absentee ballot and register to vote simultaneously using the declaration accompanying the federal write-in absentee ballot; or (3) apply for a military-overseas ballot and return the military-overseas ballot to the appropriate local elections official is the time set for closing the polls on election day pursuant to NRS 293.273,

which is currently 7 p.m. As a result of the changes made by **sections 13-16**, a person with a disability may also use the system of approved electronic transmission to register to vote, request an absent ballot and cast an absent ballot until the time set for closing the polls on election day.

Sections 1, 13 and 14 of this bill require a local elections official to time stamp the electronic equivalent of: (1) the federal postcard application; or (2) an application to register to vote and ballot cast by a person with a disability using the system of approved electronic transmission upon receipt.

Existing law requires the county clerk to cancel the registration of a person if he or she requests to affiliate with a political party or change his or her affiliation and provides that the person may reregister immediately. (NRS 293.540, 293.543) Sections 11.3 and 11.7 of this bill revise these provisions to remove the requirement for the county clerk to cancel the registration of a person who requests to affiliate or change his or her affiliation with a political party.

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

Section 1. Chapter 293 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Secretary of State shall allow:
- (a) An elector with a disability to use the system of approved electronic transmission established pursuant to NRS 293D.200 to register to vote in every election where the system of approved electronic transmission is available to a covered voter to register to vote, including, without limitation, an affected election. The deadline for an elector with a disability to use the system of approved electronic transmission to register to vote is the same as the deadline set forth in NRS 293D.230 for a covered voter to register to vote.
- (b) A registered voter with a disability to use the system of approved electronic transmission established pursuant to NRS 293D.200 to apply for and cast an absent ballot in every election where the system of approved electronic transmission is available to a covered voter to request and cast a military-overseas ballot, including, without limitation, an affected election. The deadlines for a registered voter with a disability to use the system of approved electronic transmission to request and cast an absent ballot are the same as the deadlines set forth in NRS 293D.310 and 293D.400 for a covered voter to request and cast a military-overseas ballot.
- 2. Upon receipt of an application and ballot cast by a person with a disability using the system of approved electronic transmission established pursuant to NRS 293D.200, the local elections official shall affix, mark or otherwise acknowledge receipt of the application and ballot by means of a time stamp on the application.
- 3. The Secretary of State shall ensure that an elector with a disability or a registered voter with a disability may provide his or her digital signature

or electronic signature on any document or other material that is necessary for the elector or registered voter to register to vote, apply for an absent ballot or cast an absent ballot, as applicable.

- [3-] 4. The Secretary of State shall prescribe the form and content of a declaration for use by an elector with a disability or a registered voter with a disability to swear or affirm specific representations pertaining to identity, eligibility to vote, status as such an elector or registered voter and timely and proper completion of an absent ballot.
- [4.] 5. The Secretary of State shall prescribe the duties of the county clerk upon receipt of an absent ballot sent by a registered voter with a disability using the system of approved electronic transmission, including, without limitation, the procedures to be used in accepting, handling and counting the absent ballot.
- [5-] 6. The Secretary of State shall make available to an elector with a disability or a registered voter with a disability information regarding instructions on using the system for approved electronic transmission to register to vote and apply for and cast an absent ballot.
- [6.] 7. The Secretary of State shall adopt any regulation necessary to carry out the provisions of this section.
 - [7.] 8. As used in this section:
 - (a) "Affected election" has the meaning ascribed to it in NRS 293.8811.
 - (b) "Covered voter" has the meaning ascribed to it in NRS 293D.030.
 - (c) "Digital signature" has the meaning ascribed to it in NRS 720.060.
 - (d) "Electronic signature" has the meaning ascribed to it in NRS 719.100.
- (e) "Military-overseas ballot" has the meaning ascribed to it in NRS 293D.050.
 - **Sec. 2.** NRS 293.250 is hereby amended to read as follows:
- 293.250 1. Except as otherwise provided in chapter 293D of NRS, the Secretary of State shall, in a manner consistent with the election laws of this State, prescribe:
- (a) The form of all ballots, absent ballots, diagrams, sample ballots, certificates, notices, declarations, applications to preregister and register to vote, lists, applications, registers, rosters, statements and abstracts required by the election laws of this State.
 - (b) The procedures to be followed and the requirements of:
- (1) A system established pursuant to NRS 293.506 for using a computer to register voters and to keep records of registration.
- (2) The system established by the Secretary of State pursuant to NRS 293.671 for using a computer to register voters.
- (3) The use of the system of approved electronic transmission established pursuant to NRS 293D.200 by electors and voters with disabilities pursuant to section 1 of this act.
- 2. Except as otherwise provided in chapter 293D of NRS, the Secretary of State shall prescribe with respect to the matter to be printed on every kind of ballot:

- (a) The placement and listing of all offices, candidates and measures upon which voting is statewide, which must be uniform throughout the State.
- (b) The listing of all other candidates required to file with the Secretary of State, and the order of listing all offices, candidates and measures upon which voting is not statewide, from which each county or city clerk shall prepare appropriate ballot forms for use in any election in his or her county.
- 3. The Secretary of State shall place the condensation of each proposed constitutional amendment or statewide measure near the spaces or devices for indicating the voter's choice.
- 4. The fiscal note for, explanation of, arguments for and against, and rebuttals to such arguments of each proposed constitutional amendment or statewide measure must be included on all sample ballots.
- 5. The condensations and explanations for constitutional amendments and statewide measures proposed by initiative or referendum must be prepared by the Secretary of State, upon consultation with the Attorney General. The arguments and rebuttals for or against constitutional amendments and statewide measures proposed by initiative or referendum must be prepared in the manner set forth in NRS 293.252. The fiscal notes for constitutional amendments and statewide measures proposed by initiative or referendum must be prepared by the Secretary of State, upon consultation with the Fiscal Analysis Division of the Legislative Counsel Bureau. The condensations, explanations, arguments, rebuttals and fiscal notes must be in easily understood language and of reasonable length, and whenever feasible must be completed by August 1 of the year in which the general election is to be held. The explanations must include a digest. The digest must include a concise and clear summary of any existing laws directly related to the constitutional amendment or statewide measure and a summary of how the constitutional amendment or statewide measure adds to, changes or repeals such existing laws. For a constitutional amendment or statewide measure that creates. generates, increases or decreases any public revenue in any form, the first paragraph of the digest must include a statement that the constitutional amendment or statewide measure creates, generates, increases or decreases, as applicable, public revenue.
- 6. The names of candidates for township and legislative or special district offices must be printed only on the ballots furnished to voters of that township or district.
 - 7. A county clerk:
- (a) May divide paper ballots into two sheets in a manner which provides a clear understanding and grouping of all measures and candidates.
- (b) Shall prescribe the color or colors of the ballots and voting receipts used in any election which the clerk is required to conduct.
 - Sec. 3. NRS 293.313 is hereby amended to read as follows:
- 293.313 1. Except as otherwise provided in *subsection 2 and* NRS 293.272, 293.316, 293.3165 and 293.502, a registered voter may request an

absent ballot if, before 5 p.m. on the 14th calendar day preceding the election, the registered voter:

- (a) Provides sufficient written notice to the county clerk; and
- (b) Has identified himself or herself to the satisfaction of the county clerk.
- 2. A registered voter with a disability may use the system for approved electronic transmission established by the Secretary of State pursuant to subsection 2 of NRS 293D.200 to request an absent ballot in accordance with section 1 of this act.
- 3. A registered voter may request an absent ballot for all elections held during the year he or she requests an absent ballot.
- [3.] 4. A county clerk shall consider a request from a voter who has given sufficient written notice on a form provided by the Federal Government as a request for an absent ballot for the primary and general elections immediately following the date on which the county clerk received the request.
- [4.] 5. It is unlawful for a person fraudulently to request an absent ballot in the name of another person or to induce or coerce another person fraudulently to request an absent ballot in the name of another person. A person who violates this subsection is guilty of a category E felony and shall be punished as provided in NRS 193.130.
 - **Sec. 4.** NRS 293.317 is hereby amended to read as follows:
- 293.317 1. Except as otherwise provided in this section, subsection 2 of NRS 293.323 and NRS 293D.200, *and section 1 of this act,* absent ballots, including special absent ballots, must be:
- (a) Delivered by hand to the county clerk before the time set for closing of the polls pursuant to NRS 293.273; or
 - (b) Mailed to the county clerk and:
 - (1) Postmarked on or before the day of election; and
- (2) Received by the county clerk not later than 5 p.m. on the seventh day following the election.
- 2. If an absent ballot is received by mail not later than 5 p.m. on the third day following the election and the date of the postmark cannot be determined, the absent ballot shall be deemed to have been postmarked on or before the day of the election.
 - **Sec. 5.** NRS 293.325 is hereby amended to read as follows:
- 293.325 1. Except as otherwise provided in NRS 293D.200, *and section* 1 of this act, when an absent ballot is returned by or on behalf of an absent voter to the county clerk through the mail, by facsimile machine or other approved electronic transmission or in person, and a record of its return is made in the absent ballot record for the election, the county clerk or an employee in the office of the county clerk shall check the signature used for the absent ballot in accordance with the following procedure:
- (a) The county clerk or employee shall check the signature used for the absent ballot against all signatures of the voter available in the records of the county clerk.

- (b) If at least two employees in the office of the county clerk believe there is a reasonable question of fact as to whether the signature used for the absent ballot matches the signature of the voter, the county clerk shall contact the voter and ask the voter to confirm whether the signature used for the absent ballot belongs to the voter.
 - 2. For purposes of subsection 1:
- (a) There is a reasonable question of fact as to whether the signature used for the absent ballot matches the signature of the voter if the signature used for the absent ballot differs in multiple, significant and obvious respects from the signatures of the voter available in the records of the county clerk.
- (b) There is not a reasonable question of fact as to whether the signature used for the absent ballot matches the signature of the voter if:
- (1) The signature used for the absent ballot is a variation of the signature of the voter caused by the substitution of initials for the first or middle name or the use of a common nickname and it does not otherwise differ in multiple, significant and obvious respects from the signatures of the voter available in the records of the county clerk; or
- (2) There are only slight dissimilarities between the signature used for the absent ballot and the signatures of the voter available in the records of the county clerk.
- 3. Except as otherwise provided in subsection 4, if the county clerk determines that the absent voter is entitled to cast the absent ballot and:
- (a) No absent ballot central counting board has been appointed, the county clerk shall neatly stack, unopened, the absent ballot with any other absent ballot received that day in a container and deliver, or cause to be delivered, that container to the appropriate election board.
- (b) An absent ballot central counting board has been appointed, the county clerk shall deposit the absent ballot in the proper ballot box or place the absent ballot, unopened, in a container that must be securely locked or under the control of the county clerk at all times. At the end of each day before election day, the county clerk may remove the absent ballots from each ballot box, neatly stack the absent ballots in a container and seal the container with a numbered seal. Not earlier than 15 days before the election, the county clerk shall deliver the absent ballots to the absent ballot central counting board to be processed and prepared for counting pursuant to the procedures established by the Secretary of State to ensure the confidentiality of the prepared ballots until after the polls have closed pursuant to NRS 293.273 or 293.305.
- 4. If the county clerk determines when checking the signature used for the absent ballot that the absent voter failed to affix his or her signature or failed to affix it in the manner required by law for the absent ballot or that there is a reasonable question of fact as to whether the signature used for the absent ballot matches the signature of the voter, but the voter is otherwise entitled to cast the absent ballot, the county clerk shall contact the voter and advise the voter of the procedures to provide a signature or a confirmation that the signature used for the absent ballot belongs to the voter, as applicable. For the

absent ballot to be counted, the voter must provide a signature or a confirmation, as applicable, not later than 5 p.m. on the seventh day following the election or, if applicable, the ninth day following an affected election that is subject to the provisions of NRS 293.8801 to 293.8887, inclusive.

- 5. The county clerk shall prescribe procedures for an absent voter who failed to affix his or her signature or failed to affix it in the manner required by law for the absent ballot, or for whom there is a reasonable question of fact as to whether the signature used for the absent ballot matches the signature of the voter, in order to:
 - (a) Contact the voter;
- (b) Allow the voter to provide a signature or a confirmation that the signature used for the absent ballot belongs to the voter, as applicable; and
- (c) After a signature or a confirmation is provided, as applicable, ensure the absent ballot is delivered to the appropriate election board or the absent ballot central counting board, as applicable.
- 6. The procedures established pursuant to subsection 5 for contacting an absent voter must require the county clerk to contact the voter, as soon as possible after receipt of the absent ballot, by:
 - (a) Mail;
- (b) Telephone, if a telephone number for the voter is available in the records of the county clerk; and
- (c) Electronic mail, if the voter has provided the county clerk with sufficient information to contact the voter by such means.
 - **Sec. 6.** NRS 293.330 is hereby amended to read as follows:
- 293.330 1. Except as otherwise provided in this section, subsection 2 of NRS 293.323, NRS 293.329 and chapter 293D of NRS, *and section 1 of this act*, in order to vote an absent ballot, the absent voter must, in accordance with the instructions:
 - (a) Mark and fold the absent ballot;
- (b) Deposit the absent ballot in the return envelope and seal the return envelope;
- (c) Affix his or her signature on the return envelope in the space provided for the signature; and
 - (d) Mail or deliver the return envelope in a manner authorized by law.
- 2. Except as otherwise provided in subsection 3, if a voter who has requested an absent ballot by mail applies to vote the absent ballot in person at:
- (a) The office of the county clerk, the voter must mark and fold the absent ballot, deposit it in the return envelope and seal the return envelope and affix his or her signature in the same manner as provided in subsection 1, and deliver the return envelope to the clerk.
- (b) A polling place, including, without limitation, a polling place for early voting, the voter must surrender the absent ballot and provide satisfactory identification before being issued a ballot to vote at the polling place. A person who receives a surrendered absent ballot shall mark it "Cancelled."

- 3. If a voter who has requested an absent ballot by mail applies to vote in person at the office of the county clerk or a polling place, including, without limitation, a polling place for early voting, and the voter does not have the absent ballot to deliver or surrender, the voter must be issued a ballot to vote if the voter:
 - (a) Provides satisfactory identification;
 - (b) Is a registered voter who is otherwise entitled to vote; and
- (c) Signs an affirmation under penalty of perjury on a form prepared by the Secretary of State declaring that the voter has not voted during the election.
- 4. Except as otherwise provided in subsection 5, at the request of a voter whose absent ballot has been prepared by or on behalf of the voter for an election, a person authorized by the voter may return the absent ballot on behalf of the voter by mail or personal delivery to the county clerk.
- 5. Except for an election board officer in the course of the election board officer's official duties, a person shall not willfully:
- (a) Impede, obstruct, prevent or interfere with the return of a voter's absent ballot;
 - (b) Deny a voter the right to return the voter's absent ballot; or
- (c) If the person receives the voter's absent ballot and authorization to return the absent ballot on behalf of the voter by mail or personal delivery, fail to return the absent ballot, unless otherwise authorized by the voter, by mail or personal delivery:
- (1) Before the end of the third day after the day of receipt, if the person receives the absent ballot from the voter four or more days before the day of the election; or
- (2) Before the deadline established by the United States Postal Service for the absent ballot to be postmarked on the day of the election or before the polls close on the day of the election, as applicable to the type of delivery, if the person receives the absent ballot from the voter three or fewer days before the day of the election.
- 6. A person who violates any provision of subsection 5 is guilty of a category E felony and shall be punished as provided in NRS 193.130.
- Sec. 7. NRS 293.333 is hereby amended to read as follows:
- 293.333 1. Except as otherwise provided in NRS 293D.200, *and section 1 of this act*, on the day of an election, the election boards receiving the absent ballots from the county clerk shall, in the presence of a majority of the election board officers, remove the absent ballots from the ballot box and the containers in which the absent ballots were transported pursuant to NRS 293.325 and deposit the absent ballots in the regular ballot box in the following manner:
- (a) The name of the voter, as shown on the return envelope or approved electronic transmission, must be checked as if the voter were voting in person;
- (b) The signature used for the absent ballot must be checked in accordance with the procedure set forth in NRS 293.325;
- (c) If the board determines that the voter is entitled to cast the absent ballot, the return envelope must be opened, the numbers on the absent ballot and

return envelope or approved electronic transmission compared, the number strip or stub detached from the absent ballot and, if the numbers are the same, the absent ballot deposited in the regular ballot box; and

- (d) The election board officers shall indicate in the roster "Voted" by the name of the voter.
- 2. The board must complete the count of all absent ballots on or before the seventh day following the election or, if applicable, the ninth day following an affected election that is subject to the provisions of NRS 293.8801 to 293.8887, inclusive.
 - **Sec. 8.** NRS 293.335 is hereby amended to read as follows:
- 293.335 When all absent ballots delivered to the election boards have been voted or rejected, except as otherwise provided in NRS 293D.200, *and section 1 of this act*, the empty envelopes and the envelopes and approved electronic transmissions containing rejected ballots must be returned to the county clerk. On all envelopes and approved electronic transmissions containing rejected ballots the cause of rejection must be noted and the envelope or approved electronic transmission signed by a majority of the election board officers.
 - **Sec. 9.** NRS 293.340 is hereby amended to read as follows:
- 293.340 1. In counties in which an absent ballot central counting board is appointed the county clerk shall provide a ballot box in the county clerk's office for each different ballot listing in the county.
- 2. On each such box there must appear a statement indicating the precincts and district for which such box has been designated.
- 3. Except as otherwise provided in NRS 293D.200, *and section 1 of this act*, each absent ballot voted must be deposited in a ballot box according to the precinct or district of the absent voter voting such ballot.
 - **Sec. 10.** NRS 293.469 is hereby amended to read as follows:
 - 293.469 Each county clerk is encouraged to:
- 1. Not later than the earlier date of the notice provided pursuant to NRS 293.203 or the first notice provided pursuant to subsection 3 of NRS 293.560, notify the public, through means designed to reach members of the public who are elderly or disabled, of the provisions of NRS 293.2955, 293.296, 293.313, 293.316 and 293.3165 H and section 1 of this act.
- 2. Provide in alternative audio and visual formats information concerning elections, information concerning how to preregister or register to vote and information concerning the manner of voting for use by a person who is elderly or disabled, including, without limitation, providing such information through a telecommunications device that is accessible to a person who is deaf.
- 3. Not later than 5 working days after receiving the request of a person who is elderly or disabled, provide to the person, in a format that can be used by the person, any requested material that is:
 - (a) Related to elections; and
 - (b) Made available by the county clerk to the public in printed form.

- **Sec. 11.** NRS 293.517 is hereby amended to read as follows:
- 293.517 1. Any person who meets the qualifications set forth in NRS 293.4855 residing within the county may preregister to vote and any elector residing within the county may register to vote:
- (a) Except as otherwise provided in NRS 293.560 and 293C.527, by appearing before the county clerk, a field registrar or a voter registration agency, completing the application to preregister or register to vote, giving true and satisfactory answers to all questions relevant to his or her identity and right to preregister or register to vote, and providing proof of residence and identity;
- (b) By completing and mailing or personally delivering to the county clerk an application to preregister or register to vote pursuant to the provisions of NRS 293.5235;
- (c) Pursuant to the provisions of NRS 293.5727 or 293.5742 or chapter 293D of NRS $\frac{1}{12}$ or section 1 of this act;
- (d) At his or her residence with the assistance of a field registrar pursuant to NRS 293.5237;
- (e) By submitting an application to preregister or register to vote by computer using the system:
 - (1) Established by the Secretary of State pursuant to NRS 293.671; or
- (2) Established by the county clerk, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters; or
 - (f) By any other method authorized by the provisions of this title.
- → The county clerk shall require a person to submit official identification as proof of residence and identity, such as a driver's license or other official document, before preregistering or registering the person. If the applicant preregisters or registers to vote pursuant to this subsection and fails to provide proof of residence and identity, the applicant must provide proof of residence and identity before casting a ballot in person or by mail or after casting a provisional ballot pursuant to NRS 293.3078 to 293.3086, inclusive. For the purposes of this subsection, a voter registration card does not provide proof of the residence or identity of a person.
- 2. In addition to the methods for registering to vote described in subsection 1, an elector may register to vote pursuant to NRS 293.5772 to 293.5887, inclusive.
- 3. Except as otherwise provided in NRS 293.5732 to 293.5757, inclusive, the application to preregister or register to vote must be signed and verified under penalty of perjury by the person preregistering or the elector registering.
- 4. Each person or elector who is or has been married must be preregistered or registered under his or her own given or first name, and not under the given or first name or initials of his or her spouse.
- 5. A person or an elector who is preregistered or registered and changes his or her name must complete a new application to preregister or register to vote, as applicable. The person or elector may obtain a new application:
 - (a) At the office of the county clerk or field registrar;

- (b) By submitting an application to preregister or register to vote pursuant to the provisions of NRS 293.5235;
- (c) By submitting a written statement to the county clerk requesting the county clerk to mail an application to preregister or register to vote;
 - (d) At any voter registration agency; or
- (e) By submitting an application to preregister or register to vote by computer using the system:
 - (1) Established by the Secretary of State pursuant to NRS 293.671; or
- (2) Established by the county clerk, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters.
- ☐ If the elector fails to register under his or her new name, the elector may be challenged pursuant to the provisions of NRS 293.303 or 293C.292 and may be required to furnish proof of identity and subsequent change of name.
- 6. Except as otherwise provided in subsection 8 and NRS 293.5742 to 293.5757, inclusive, 293.5767 and 293.5772 to 293.5887, inclusive, an elector who registers to vote pursuant to paragraph (a) of subsection 1 shall be deemed to be registered upon the completion of an application to register to vote.
- 7. After the county clerk determines that the application to register to vote of a person is complete and that, except as otherwise provided in NRS 293D.210, the person is eligible to vote pursuant to NRS 293.485, the county clerk shall issue a voter registration card to the voter.
- 8. If a person or an elector submits an application to preregister or register to vote or an affidavit described in paragraph (c) of subsection 1 of NRS 293.507 that contains any handwritten additions, erasures or interlineations, the county clerk may object to the application if the county clerk believes that because of such handwritten additions, erasures or interlineations, the application is incomplete or that, except as otherwise provided in NRS 293D.210, the person is not eligible to preregister pursuant to NRS 293.4855 or the elector is not eligible to vote pursuant to NRS 293.485, as applicable. If the county clerk objects pursuant to this subsection, he or she shall immediately notify the person or elector, as applicable, and the district attorney of the county. Not later than 5 business days after the district attorney receives such notification, the district attorney shall advise the county clerk as to whether:
- (a) The application is complete and, except as otherwise provided in NRS 293D.210, the person is eligible to preregister pursuant to NRS 293.4855 or the elector is eligible to vote pursuant to NRS 293.485; and
 - (b) The county clerk should proceed to process the application.
- 9. If the district attorney advises the county clerk to process the application pursuant to subsection 8, the county clerk shall immediately issue a voter registration card to the applicant, unless the applicant is preregistered to vote and does not currently meet the requirements to be issued a voter registration card pursuant to NRS 293.4855.

Sec. 11.3. NRS 293.540 is hereby amended to read as follows:

293.540 1. The county clerk shall cancel the preregistration of a person:

- (a) If the county clerk has personal knowledge of the death of the person or if an authenticated certificate of the death of the person is filed in the county clerk's office.
 - (b) At the request of the person.
- (c) If the county clerk has discovered an incorrect preregistration pursuant to the provisions of NRS 293.5235 and the person has failed to respond within the required time.
 - (d) As required by NRS 293.541.
- (e) Upon verification that the application to preregister to vote is a duplicate if the county clerk has the original or another duplicate of the application on file in the county clerk's office.
 - 2. The county clerk shall cancel the registration of a person:
- (a) If the county clerk has personal knowledge of the death of the person or if an authenticated certificate of the death of the person is filed in the county clerk's office.
- (b) If the county clerk is provided a certified copy of a court order stating that the court specifically finds by clear and convincing evidence that the person lacks the mental capacity to vote because he or she cannot communicate, with or without accommodations, a specific desire to participate in the voting process.
- (c) Upon the determination that the person has been convicted of a felony and is currently incarcerated.
- (d) Upon the production of a certified copy of the judgment of any court directing the cancellation to be made.
- (e) Upon the request of any registered voter to affiliate with any political party or to change affiliation, if that change is made before the end of the last day to register to vote in the election.
- -(f) At the request of the person.
- $\frac{\{(g)\}}{(f)}$ If the county clerk has discovered an incorrect registration pursuant to the provisions of NRS 293.5235, 293.530 or 293.535 and the elector has failed to respond or appear to vote within the required time.
- (g) As required by NRS 293.541.
- **(h)** Upon verification that the application to register to vote is a duplicate if the county clerk has the original or another duplicate of the application on file in the county clerk's office.

Sec. 11.7. NRS 293.543 is hereby amended to read as follows:

293.543 1. If the registration of an elector is cancelled pursuant to paragraph (b) of subsection 2 of NRS 293.540, the county clerk shall reregister the elector upon notice from the clerk of the district court that the elector has been found by the district court to have the mental capacity to vote. The court must include the finding in a court order and, not later than 30 days after issuing the order, provide a certified copy of the order to the county clerk of the county in which the person is a resident and to the Office of the Secretary of State.

- 2. If the registration of an elector is cancelled pursuant to paragraph (c) of subsection 2 of NRS 293.540, the elector may reregister upon release from prison.
- 3. [If the registration of an elector is cancelled pursuant to the provisions of paragraph (e) of subsection 2 of NRS 293.540, the elector may reregister immediately.
- —4.] If the registration of an elector is cancelled pursuant to the provisions of paragraph [(f)] (e) of subsection 2 of NRS 293.540, after the close of registration for a primary election, the elector may not reregister until after the primary election.
- [5.] <u>4.</u> A county clerk shall not require an elector to present evidence, including without limitation, a court order or any other document, to prove that the elector satisfies the requirements of subsection 2.
 - **Sec. 12.** NRS 293.560 is hereby amended to read as follows:
- 293.560 1. Except as otherwise provided in NRS 293.502, 293.5772 to 293.5887, inclusive, 293D.230 and 293D.300 [:] and section 1 of this act:
- (a) For a primary or general election, or a recall or special election that is held on the same day as a primary or general election, the last day to register to vote:
- (1) By mail is the fourth Tuesday preceding the primary or general election.
- (2) By appearing in person at the office of the county clerk or, if open, a county facility designated pursuant to NRS 293.5035, is the fourth Tuesday preceding the primary or general election.
- (3) By computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters, is the Thursday preceding the primary or general election, unless the system is used to register voters for the election pursuant to NRS 293.5842 or 293.5847.
- (4) By computer using the system established by the Secretary of State pursuant to NRS 293.671, is the Thursday preceding the primary or general election, unless the system is used to register voters for the election pursuant to NRS 293.5842 or 293.5847.
- (b) If a recall or special election is not held on the same day as a primary or general election, the last day to register to vote for the recall or special election by any method of registration is the third Saturday preceding the recall or special election.
- 2. Except as otherwise provided in NRS 293.5772 to 293.5887, inclusive, after the deadlines for the close of registration for a primary or general election set forth in subsection 1, no person may register to vote for the election.
- 3. Except for a recall or special election held pursuant to chapter 306 or 350 of NRS:
- (a) The county clerk of each county shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the county indicating:

- (1) The day and time that each method of registration for the election, as set forth in subsection 1, will be closed; and
- (2) If the county clerk has designated a county facility pursuant to NRS 293.5035, the location of that facility.
- → If no such newspaper is published in the county, the publication may be made in a newspaper of general circulation published in the nearest county in this State.
- (b) The notice must be published once each week for 4 consecutive weeks next preceding the day that the last method of registration for the election, as set forth in subsection 1, will be closed.
- 4. The offices of the county clerk, a county facility designated pursuant to NRS 293.5035 and other ex officio registrars may remain open on the last Friday in October in each even-numbered year.
- 5. A county facility designated pursuant to NRS 293.5035 may be open during the periods described in this section for such hours of operation as the county clerk may determine, as set forth in subsection 3 of NRS 293.5035.
 - Sec. 13. NRS 293D.230 is hereby amended to read as follows:
- 293D.230 1. In addition to any other method of registering to vote set forth in chapter 293 of NRS, a covered voter may use a federal postcard application, as prescribed under section 101(b)(2) of the Uniformed and Overseas Citizens Absentee Voting Act, 52 U.S.C. § 20301(b)(2), or the application's electronic equivalent, to apply to register to vote, if the federal postcard application or the application's electronic equivalent is received by the appropriate local elections official [by the seventh day] before the [election.] time set pursuant to NRS 293.273 for closing the polls on election day. If the federal postcard application or the application's electronic equivalent is received after the [seventh day before the election,] time set for closing the polls, it must be treated as an application to register to vote for subsequent elections. Upon receipt of the electronic equivalent of the federal postcard application pursuant to this subsection, the local elections official shall affix, mark or otherwise acknowledge receipt of the application by means of a time stamp on the application.
- 2. A covered voter may use the declaration accompanying the federal write-in absentee ballot, as prescribed under section 103 of the Uniformed and Overseas Citizens Absentee Voting Act, 52 U.S.C. § 20303, to apply to register to vote simultaneously with the submission of the federal write-in absentee ballot, if the declaration [is] and the federal write-in absentee ballot are received [by the seventh day] before the [election.] time set pursuant to NRS 293.273 for closing the polls on election day. If the declaration is received after the [seventh day before the election.] time set for closing the polls, it must be treated as an application to register to vote for subsequent elections.
- 3. The Secretary of State shall ensure that the system of approved electronic transmission described in subsection 2 of NRS 293D.200 is capable of accepting:

- (a) Both a federal postcard application and any other approved electronic registration application sent to the appropriate local elections official; and
- (b) A digital signature or an electronic signature of a covered voter on the documents described in paragraph (a).
- 4. The covered voter may use the system of approved electronic transmission or any other method set forth in chapter 293 of NRS to register to vote.
 - **Sec. 14.** NRS 293D.300 is hereby amended to read as follows:
- 293D.300 1. A covered voter who is registered to vote in this State may apply for a military-overseas ballot by submitting a federal postcard application, as prescribed under section 101(b)(2) of the Uniformed and Overseas Citizens Absentee Voting Act, 52 U.S.C. § 20301(b)(2), or the application's electronic equivalent, if the federal postcard application or the applications official [by the seventh day] before the [election.] time set pursuant to NRS 293.273 for closing the polls on election day.
- 2. A covered voter who is not registered to vote in this State may use the federal postcard application or the application's electronic equivalent simultaneously to apply to register to vote pursuant to NRS 293D.230 and to apply for a military-overseas ballot, if the federal postcard application or the application's electronic equivalent is received by the appropriate local elections official [by the seventh day] before the [election.] time set pursuant to NRS 293.273 for closing the polls on election day. If the federal postcard application is received after the [seventh day before the election,] time set for closing the polls, it must be treated as an application to register to vote for subsequent elections.
- 3. <u>Upon receipt of the electronic equivalent of the federal postcard application pursuant to subsection 1 or 2, the local elections official shall affix, mark or otherwise acknowledge receipt of the application by means of a time stamp on the application.</u>
- <u>4.</u> The Secretary of State shall ensure that the system of approved electronic transmission described in subsection 2 of NRS 293D.200 is capable of accepting the submission of:
- (a) Both a federal postcard application and any other approved electronic military-overseas ballot application sent to the appropriate local elections official; and
- (b) A digital signature or an electronic signature of a covered voter on the documents described in paragraph (a).
- [4.] <u>5.</u> A covered voter may use approved electronic transmission or any other method approved by the Secretary of State to apply for a military-overseas ballot.
- [5.] <u>6.</u> A covered voter may use the declaration accompanying the federal write-in absentee ballot, as prescribed under section 103 of the Uniformed and Overseas Citizens Absentee Voting Act, 52 U.S.C. § 20303, as an application for a military-overseas ballot simultaneously with the submission of the federal

write-in absentee ballot, if the declaration [is] and the federal write-in absentee ballot are received by the appropriate local elections official [by the seventh day] before the [election.] time set pursuant to NRS 293.273 for closing the polls on election day.

- [6.] 7. To receive the benefits of this chapter, a covered voter must inform the appropriate local elections official that he or she is a covered voter. Methods of informing the appropriate local elections official that a person is a covered voter include, without limitation:
- (a) The use of a federal postcard application or federal write-in absentee ballot;
- (b) The use of an overseas address on an approved voting registration application or ballot application; and
- (c) The inclusion on an application to register to vote or an application for a military-overseas ballot of other information sufficient to identify that the person is a covered voter.
- [7.] <u>8.</u> This chapter does not prohibit a covered voter from applying for an absent ballot pursuant to the provisions of chapter 293 or 293C of NRS or voting in person.
 - **Sec. 15.** NRS 293D.310 is hereby amended to read as follows:
- 293D.310 An application for a military-overseas ballot is timely if received [by the seventh day] before the [election.] time set pursuant to NRS 293.273 for closing the polls on election day. An application for a military-overseas ballot for a primary election, whether or not timely, is effective as an application for a military-overseas ballot for the general election.
 - **Sec. 16.** NRS 293D.400 is hereby amended to read as follows:
- 293D.400 A military-overseas ballot must be received by the appropriate local elections official not later than the [close of] time set pursuant to NRS 293.273 for closing the polls [...] on election day.
 - **Sec. 17.** 1. This section becomes effective upon passage and approval.
 - 2. Sections 1 to 16, inclusive, of this act become effective:
- (a) Upon passage and approval for the purpose of adopting regulations and performing any other preliminary administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On January 1, 2022, for all other purposes.

Assemblywoman Brittney Miller moved that the Assembly concur in the Senate Amendment No. 759 to Assembly Bill No. 121.

Remarks by Assemblywoman Brittney Miller.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 45.

The following Senate amendment was read:

Amendment No. 706.

The Title of Assembly Bill No. 45 First Reprint is hereby amended as follows:

AN ACT relating to insurance; revising provisions relating to bonds filed by various persons regulated by the Commissioner of Insurance; revising provisions governing service of process on certain entities; revising provisions governing reinsurance; revising provisions governing the issuance, renewal and expiration of various licenses, permits, certificates of registration and other authorizations to engage in an activity relating to insurance; revising provisions relating to fees paid by various persons regulated by the Commissioner; revising requirements for holding companies; setting forth requirements relating to certain policies of stop-loss insurance; revising provisions governing coverage for maternity care and pediatric care; revising provisions governing misleading advertisements by certain persons regulated by the Commissioner; revising provisions governing annual disclosures and submission of form letters by certain persons regulated by the Commissioner; revising requirements relating to captive insurers and risk retention groups; revising requirements relating to investments by various persons regulated by the Commissioner; revising requirements relating to examinations and investigations of various persons regulated by the Commissioner; revising provisions governing the applicability of laws to various persons regulated by the Commissioner; providing temporary requirements applicable to associations of self-insured private employers; and providing other matters properly relating thereto.

If this amendment is adopted, the Legislative Counsel's Digest will be changed as follows:

Legislative Counsel's Digest:

Existing law authorizes the Commissioner of Insurance to regulate insurance in this State. (NRS 679B.120, 679B.130) This bill adds to, revises and repeals various provisions of existing law relating to the regulation of insurance, primarily in title 57 of NRS.

Existing law requires a bond to be filed under certain circumstances by various persons regulated by the Commissioner. (NRS 692A.1041) **Section 3** of this bill sets forth requirements for, and procedures relating to, such bonds. **Section 49** of this bill indicates the placement of **section 3** within chapter 679B of NRS.

Existing law requires a health carrier to submit to the Commissioner copies of certain form letters used by the health carrier. (NRS 679B.124) **Section 3.2** of this bill revises the requirements concerning submission of the letters.

Existing law provides for service of process on certain insurers by serving the Commissioner. (NRS 680A.260) **Sections 3.5, 4, 13.5, 20.5, 60.5 and 78.5** of this bill revise the procedure for such service of process.

Existing law sets forth various fees applicable to persons and entities regulated by the Commissioner. (NRS 680B.010) **Section 5** of this bill adds

fees relating to agents who perform utilization reviews, motor clubs, motor club agents, title plant companies and service contract providers. **Sections 14**, **51**, **56**, **72** and **73** of this bill delete the same fees from the sections of the individual chapters which govern those specific persons and entities but the fees all remain unchanged.

Existing law sets forth requirements for reinsurers and reinsurance. (NRS 681A.110-681A.580) **Sections 6.05 to 6.96** of this bill revise those requirements and add new requirements in accordance with new and revised guidance from the National Association of Insurance Commissioners.

Existing law requires a bond to be filed by a manager for reinsurance. (NRS 681A.420) **Section 7** of this bill provides that the bond must meet the requirements set forth in **section 3**.

Existing law defines the term "equity interest" for the purposes of regulating investments by insurers. (NRS 682A.069) **Section 8** of this bill revises the definition to limit the instruments which qualify as equity interests.

Existing law provides that a certificate of registration as an administrator is valid for 3 years. (NRS 683A.08526) **Section 9** of this bill specifies the day on which the certificate expires after it is originally issued and after it is renewed. Existing law requires a bond to be filed by an administrator, a fraternal benefit society, an organization for dental care or its officers, a bail agent, a bail solicitor and a general agent. (NRS 683A.0857, 695A.060, 695D.180, 697.190) **Sections 10, 60, 64 and 74** of this bill revise the requirements relating to the bond and provide that the bond must meet the requirements set forth in **section 3**.

Existing law provides for the licensure of managing general agents. (NRS 683A.140, 683A.160) **Section 11** of this bill revises requirements for licensure as a managing general agent. **Section 12** of this bill adds requirements relating to: (1) the renewal of a license as a managing general agent; (2) the information included on the license; and (3) a change in a licensee's business, residence or electronic mail address.

Existing law provides for the licensure of producers of insurance. (NRS 683A.261) **Section 13** of this bill revises the requirements relating to the renewal and reinstatement of a license as a producer of insurance.

Existing law provides for the renewal of a license as an insurance consultant. (NRS 683C.040) **Section 15** of this bill revises the requirements and adds requirements relating to: (1) the reinstatement of an expired license; (2) the information included on the license; and (3) a change in a licensee's business, residence or electronic mail address.

Existing law provides for the renewal of a license as an adjuster, a motor vehicle physical damage appraiser, a surplus lines broker, a bail agent, a bail enforcement agent, a bail solicitor and a general agent. (NRS 684A.130, 684B.080, 685A.120, 697.230) **Sections 16, 19, 20 and 75** of this bill specify the day on which the license expires after it is originally issued and after it is renewed.

Existing law provides for the licensure of motor vehicle physical damage appraisers and requires a bond to be filed by a motor vehicle physical damage appraiser. (NRS 684B.020, 684B.030) **Section 17** of this bill revises the requirements relating to the bond and provides that the bond must meet the requirements set forth in **section 3**. Existing law provides that the fees paid by an applicant for a license as a motor vehicle physical damage appraiser must be refunded to the applicant if the application is refused. (NRS 684B.060) **Section 18** of this bill makes these fees nonrefundable.

Existing law requires a bond to be filed by a company which finances certain insurance premiums. (NRS 686A.330, 686A.360) **Section 21** of this bill revises the requirements relating to the bond and provides that the bond must meet the requirements set forth in **section 3**.

Existing law sets forth specific requirements for various types of insurance policies and contracts and the insurers who issue them. (Chapter 687B of NRS) **Sections 22-35** of this bill set forth new provisions to govern certain policies of stop-loss insurance. **Section 32** of this bill requires insurers who issue the policies of stop-loss insurance to report to the Commissioner the premiums written in this State for such policies. **Section 33** of this bill requires an insurer who issues a policy of stop-loss insurance relating to a group health plan to exercise reasonable diligence with regard to the legitimacy of and authority for the group health plan before issuing the policy. **Sections 34 and 35** of this bill: (1) require advance filing with the Commissioner of the policy forms for certain policies of stop-loss insurance, as well as advance approval from the Commissioner for the policy forms; and (2) set forth specific requirements for the contents of the policy forms.

Existing law requires a bond or other security to be provided by a viatical settlement investment agent, a broker of viatical settlements, a provider of viatical settlements or a person who obtains a seller's certificate of authority to sell prepaid contracts for funeral services. (NRS 688C.200, 689.125, 689.150, 689.185) **Sections 36 and 37** of this bill revise the requirements relating to the bond and provide that the bond must meet the requirements set forth in **section 3**.

Existing law provides for the renewal of an agent's license to solicit the sale of prepaid contracts for funeral services. (NRS 689.035, 689.150, 689.255) **Section 38** of this bill specifies the day on which the license expires after it is originally issued and after it is renewed.

Existing law requires a bond or other security to be provided by a person who obtains a seller's permit to sell prepaid contracts for burial services and burial merchandise. (NRS 689.125, 689.455, 689.460, 689.475, 689.495) **Section 39** of this bill revises the requirements relating to the bond and provides that the bond must meet the requirements set forth in **section 3**.

Existing law provides for the renewal of a seller's permit to sell prepaid contracts for burial services and burial merchandise. (NRS 689.125, 689.455, 689.460, 689.475, 689.505) **Section 40** of this bill specifies the day on which the permit expires after it is originally issued and after it is renewed.

Existing law provides for the renewal of an agent's license to solicit the sale of prepaid contracts for burial services and burial merchandise. (NRS 689.035, 689.455, 689.460, 689.475, 689.530) **Section 41** of this bill specifies the day on which the license expires after it is originally issued and after it is renewed.

Existing law sets forth certain requirements concerning insurance coverage for maternity care and pediatric care in the context of individual health insurance, group and blanket health insurance and health insurance for small employers. (NRS 689A.717, 689B.520, 689C.194) **Sections 42-44** of this bill revise the language in these existing provisions to be inclusive of different maternity circumstances.

Existing law requires a bond or other security to be provided by a group of persons who obtains a certificate of registration as a voluntary purchasing group. (NRS 689C.560) **Section 45** of this bill revises the requirements relating to the bond and provides that the bond must meet the requirements set forth in **section 3**.

Existing law provides for the renewal of a license as an escrow officer. (NRS 692A.103) **Section 54** of this bill revises these requirements and adds requirements relating to: (1) the information included on the license; and (2) a change in a licensee's business, residence or electronic mail address.

Existing law requires a bond or other security to be provided by a title agent and a title insurer as a condition of doing business. (NRS 692A.1041) **Section 55** of this bill revises the requirements relating to the bond and provides that the bond must meet the requirements set forth in **section 3**.

Existing law sets forth requirements governing holding companies. (Chapter 692C of NRS) **Sections 56.10 to 56.55** and **section 57.5** of this bill revise those requirements as with regard to capital requirements and calculations, liquidity stress tests and confidentiality of information.

Existing law requires each insurer or group of insurers each year to submit to the Commissioner a corporate governance annual disclosure containing certain information required by the Commissioner. (NRS 692C.3504) **Section 57** of this bill requires each insurer or insurance group, after the first such submission, to submit an amended version of the previous year's disclosure which shows the changes made for the current year.

Existing law governs captive insurers. (Chapter 694C of NRS) Under existing law, a licensed captive insurer may apply for and be issued a certificate of dormancy. (NRS 694C.259) **Section 58** of this bill revises provisions governing: (1) qualifications needed for a certificate of dormancy; (2) the applicability of certain requirements to a dormant captive insurer; (3) renewal and expiration of a certificate of dormancy; and (4) requirements applicable to a captive insurer whose certificate of dormancy expires. Existing law also sets forth requirements for a captive insurer to transact business. (NRS 694C.310) **Section 59** of this bill revises those requirements, including, without limitation, by providing for periodic reviews of persons who manage the affairs of a captive insurer.

Existing law governs nonprofit hospital and medical or dental service corporations. (Chapter 695B of NRS) **Section 61** of this bill expands the list of the provisions of law to which nonprofit hospital and medical or dental service corporations are expressly made subject.

Existing law governs health maintenance organizations. (Chapter 695C of NRS) **Section 62** of this bill expands the list of the provisions of law to which health maintenance organizations are expressly made subject.

Existing law governs organizations for dental care. (Chapter 695D of NRS) **Section 63** of this bill expands the list of the provisions of law to which organizations for dental care are expressly made subject.

Existing law governs risk retention groups. (Chapter 695E of NRS) Under existing law a risk retention group chartered in a state other than this State must comply with certain requirements before seeking to transact insurance as a risk retention group in this State. (NRS 695E.140) **Section 65** of this bill clarifies that such a risk retention group must comply with the existing statutory requirements including, without limitation, that the risk retention group must: (1) submit a statement of registration; and (2) pay any fees associated with the statement of registration. **Section 66** of this bill expands the list of the provisions of law to which risk retention groups and their agents and representatives are expressly made subject.

Existing law governs prepaid limited health service organizations. (Chapter 695F of NRS) **Section 67** of this bill expands the list of the provisions of law to which prepaid limited health service organizations are expressly made subject. **Section 68** of this bill changes which provisions of law govern certain investments by prepaid limited health service organizations. **Section 69** of this bill revises provisions governing examinations and investigations of prepaid limited health service organizations.

Existing law provides for the renewal of a certificate as an exchange enrollment facilitator. (NRS 695J.140) **Section 70** of this bill revises the requirements for renewal.

Existing law requires a bond or other security to be provided by a person who renders or agrees to render motor club services. (NRS 696A.080) **Section 71** of this bill requires that the bond must meet the requirements set forth in **section 3**.

Existing law provides for the licensure of a club agent for a motor club. (NRS 696A.300) **Section 73** of this bill specifies the day on which the license expires after it is originally issued and after it is renewed.

Existing law requires a bond or other security to be provided by a self-insured employer for the purposes of the statutes governing industrial insurance. (NRS 616A.305, 616B.300) **Section 78** of this bill deletes requirements relating to termination of the bond. These existing provisions are subsumed within the new provisions in **section 3** governing bonds.

Existing law requires a bond or other security to be provided by an association of self-insured public or private employers for the purposes of the statutes governing industrial insurance. (NRS 616A.050, 616A.055,

616B.353) **Section 79** of this bill revises requirements relating to termination of the bond.

In addition to complying with certain requirements applicable to associations of self-insured public or private employers, existing law requires an association of self-insured private employers to satisfy certain fiscal requirements. Specifically, existing law requires an association of self-insured private employers to: (1) at the time of initial qualification to be an association of self-insured employers and for the first 3 years of its successful operation, have a combined tangible net worth of all members in the association of at least \$2,500,000; or (2) after 3 years of successful operation as a qualified association of self-insured private employers, have combined net cash flows from operating activities plus net cash flows from financing activities of all members in the association equal to five times the average of claims paid for each of the last 3 years or \$7,500,000, whichever is less. In lieu of satisfying these fiscal requirements, existing law authorizes the association or its members to deposit with the Commissioner of Insurance a solvency bond in an aggregate amount of at least \$2,500,000. (NRS 616B.353) Section 85.5 of this bill revises these fiscal requirements until June 30, 2023. Specifically, section 85.5: (1) provides that until June 30, 2023, an association of self-insured private employers is deemed to be in compliance with these fiscal requirements if and only if the association complies with the requirement that the association has a combined tangible net worth of all members in the association of at least \$2,500,000; and (2) retains the ability of an association to obtain a solvency bond in lieu of the tangible net worth requirement and the authority of the Commissioner to adjust the amount of any such bond.

Section 86 of this bill repeals existing law governing the cancellation of bonds of title agents and title insurers. These existing provisions are subsumed within the new provisions in **section 3** governing bonds. **Section 86** also repeals existing law specifically governing investments by prepaid limited health service organizations. These existing provisions are replaced by revisions made in **sections 67 and 68**, which address such investments.

Section 87 of this bill provides various effective dates and expiration dates for different sections of this bill.

NEW section 85.5 of Assembly Bill No. 45 First Reprint is hereby added as follows:

Sec. 85.5. 1. Notwithstanding any provision of subsection 2 of NRS 616B.353 to the contrary, and except as otherwise provided by subsections 3 and 6 of NRS 616B.353, an association of self-insured private employers shall be deemed to be in compliance with the requirements of subsection 2 of NRS 616B.353 if and only if the association of self-insured private employers has a combined tangible net worth of all members in the association of at least \$2,500,000, as evidenced by a statement of tangible

net worth provided to the Division of Insurance of the Department of Business and Industry by an independent certified public accountant.

- 2. This section applies to every association of self-insured private employers from the effective date of this section through June 30, 2023.
- 3. As used in this section, "association of self-insured private employers" has the meaning ascribed to it in NRS 616A.050.

Section 87 of Assembly Bill No. 45 First Reprint is hereby amended as follows:

- **Sec. 87.** 1. This section [becomes] and section 85.5 of this act become effective upon passage and approval.
 - 2. Section 13 of this act becomes effective on July 1, 2021.
- 3. Sections 1, 3 to 5, inclusive, 6.05 to 12, inclusive, 14 to 45, inclusive, 54 to 75, inclusive, 78, 78.5, 79 and 86 become effective on October 1, 2021.
- 4. Section 85.5 of this act expires by limitation on June 30, 2023.

Assemblywoman Jauregui moved that the Assembly concur in the Senate Amendment No. 706 to Assembly Bill No. 45.

Remarks by Assemblywoman Jauregui.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 330.

The following Senate amendment was read:

Amendment No. 621.

AN ACT relating to professions; providing for equivalent credit towards requirements for professional and occupational licenses and certifications for certain occupational, vocational and technical training; <u>authorizing the State Apprenticeship Council to determine the applicability of credit towards requirements for approved apprenticeship programs for certain occupational, vocational and technical training;</u> and providing other matters properly relating thereto.

Legislative Counsel's Digest:

[This] Section 1 of this bill provides that persons who complete certain training programs for occupational, vocational, career, trade or technical education and receive certificates for the completion of such programs shall be eligible to receive equivalent credit towards related professional and occupational licenses and certifications. [This bill] Section 1 also: (1) provides for the appeal of a denial of equivalent credit; [and] (2) requires each state agency, board or commission which has the authority to regulate an occupation or profession [, in coordination with the Department of Education and the Nevada System of Higher Education,] to adopt regulations to effectuate the purposes of these provisions [.]; and (3) provides that participation in, completion of or receipt of a certificate for completion of such a training

program is not a substitute for participation in or completion of an apprenticeship program pursuant to chapter 610 of NRS.

Section 3 of this bill authorizes the State Apprenticeship Council to determine the number of hours, if any, completed in a training program described in section 1 which may count towards the number of hours required for an approved apprenticeship program pursuant to chapter 610 of NRS. Section 2 of this bill makes a conforming change to indicate the placement of section 3 in the Nevada Revised Statutes.

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

Section 1. Chapter 622 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. A person who, in secondary or postsecondary education, completes a training program for occupational, vocational, career, trade or technical education approved by the State Board of Education and receives a certificate for the completion of that program is eligible to receive equivalent credit towards the satisfaction of requirements for the issuance of any professional and occupational licenses and certifications relating to the training received.
- 2. For a person to be eligible to receive equivalent credit pursuant to subsection 1, the secondary or postsecondary education received by the person pursuant to title 34 of NRS must be consistent with the requirements for the issuance of professional or occupational licenses and certifications established pursuant to the provisions of title 54 of NRS and the regulations adopted pursuant thereto.
- 3. Any person aggrieved by a decision of a regulatory body concerning eligibility for equivalent credit pursuant to this section may appeal to the regulatory body for a determination whether the training satisfies the requirements for professional or occupational licensure or certification, as applicable. An appeal made pursuant to this subsection must be conducted as provided for the appeal of the denial of a professional or occupational license or certificate by that regulatory body.
- 4. Each regulatory body_f, in coordination with the Department of Education and the Nevada System of Higher Education, shall adopt regulations to effectuate the purposes of this section.
- 5. Except as otherwise provided in a determination by the State Apprenticeship Council pursuant to section 3 of this act, participation in, completion of or receipt of a certificate for completion of a training program for occupational, vocational, career, trade or technical education as described in this section is not a substitute for participation in or completion of a program of training and instruction as an apprentice pursuant to chapter 610 of NRS.
 - Sec. 2. NRS 223.820 is hereby amended to read as follows:

- 223.820 The Executive Director of the Office of Workforce Innovation shall:
- 1. Provide support to the Office of the Governor, the Governor's Workforce Investment Board created by NRS 232.935 and the industry sector councils established by the Governor's Workforce Investment Board on matters relating to workforce development.
- 2. Work in coordination with the Office of Economic Development to establish criteria and goals for workforce development and diversification in this State.
- 3. Collect and systematize and present in biennial reports to the Governor and the Legislature such statistical details relating to workforce development in the State as the Executive Director of the Office may deem essential to further the objectives of the Office of Workforce Innovation.
 - 4. At the direction of the Governor:
- (a) Identify, recommend and implement policies related to workforce development.
- (b) Define career pathways and identify priority career pathways for secondary and postsecondary education.
- (c) Discontinue career pathways offered by the State which fail to meet minimum standards of quality, rigor and cross-education alignment, or that do not demonstrate a connection to priority industry needs.
- (d) In consultation with the Governor's Workforce Investment Board, identify industry-recognized credentials, workforce development programs and education.
- (e) Maintain and oversee the statewide longitudinal data system that links data relating to early childhood education programs and K-12 public education with data relating to postsecondary education and the workforce in this State.
- (f) Collect accurate educational data in the statewide longitudinal data system for the purpose of analyzing student performance through employment to assist in improving the educational system and workforce training program in this State.
- (g) Apply for and administer grants, including, without limitation, those that may be available from funding reserved for statewide workforce investment activities.
- (h) Review the status and structure of local workforce investment areas in the State, in coordination with the Governor and the Governor's Workforce Investment Board.
- (i) Report periodically to the Governor's Workforce Investment Board concerning the administration of the policies and programs of the Office of Workforce Innovation.
- (j) On or before March 31 of each year, submit to the Governor a complete report of the activities, discussions, findings and recommendations of the Office of Workforce Innovation.
- (k) Oversee the State Apprenticeship Council and the State Apprenticeship Director pursuant to NRS 610.110 to 610.185, inclusive, *and section 3 of this*

<u>act</u> and perform such other functions as may be necessary for the fulfillment of the intent and purposes of chapter 610 of NRS.

- (l) Suggest improvements regarding the allocation of federal and state money to align workforce training and related education programs in the State, including, but not limited to, career and technical education.
- (m) On or before January 1 of each year, collect and analyze data as needed to create a written report for the purposes of this paragraph, and submit such a report to the Director of the Legislative Counsel Bureau. The report must include, without limitation:
- (1) Statistical data based on an analysis of the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any geographic area within this State;
- (2) The demand within this State or any geographic area within this State for the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body; and
- (3) Any other factors relating to the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety.
- → As used in this paragraph, "regulatory body" has the meaning ascribed to it in NRS 622.060.
- (n) On or before January 1 of each year, submit to the Director of the Legislative Counsel Bureau a written report that includes, without limitation, the most current data and reports produced by the statewide longitudinal data system.

Sec. 3. Chapter 610 of NRS is hereby amended by adding thereto a new section to read as follows:

The Council may determine the number of hours, if any, completed by a person pursuant to a training program for occupational, vocational, career, trade or technical education pursuant to section 1 of this act which may count towards the number of hours required for a program approved by the Council pursuant to this chapter.

Assemblywoman Jauregui moved that the Assembly concur in the Senate Amendment No. 621 to Assembly Bill No. 330.

Remarks by Assemblywoman Jauregui.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 366.

The following Senate amendment was read:

Amendment No. 554.

ASSEMBLYWOMAN TOLLES

JOINT SPONSOR: SENATOR SPEARMAN

AN ACT relating to mental health; exempting recordings of certain training activities from requirements concerning the retention, maintenance and

disclosure of health care records [:] under certain circumstances; requiring the destruction of such a recording after a certain period of time; prescribing certain additional requirements governing such a recording; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes various requirements concerning the retention, maintenance and disclosure of health care records, including the patient or client records of a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor. (NRS 629.051-629.069) This bill provides that a program of education for such mental health professionals approved by the applicable licensing board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of services by such a mental health professional to a patient if: (1) the recording is used for a training activity; (2) the patient has provided informed written consent to the use of the recording in the training activity; [and] (3) [disearding] destroying the recording does not result in the maintenance of incomplete patient records [-]; and (4) the recording is destroyed after a period of time prescribed by the licensing board responsible for regulating the mental health professional. This bill requires such a recording to meet certain federal requirements designed to prevent the reproduction, copying or theft of the recording. This bill also prohibits the inclusion of personally identifiable information concerning a patient or client unless the patient or client, as applicable, has provided specific informed written consent to the inclusion of that information in the recording.

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

Section 1. NRS 629.021 is hereby amended to read as follows:

629.021 "Health care records" means any reports, notes, orders, photographs, X-rays or other recorded data or information whether maintained in written, electronic or other form which is received or produced by a provider of health care, or any person employed by a provider of health care, and contains information relating to the medical history, examination, diagnosis or treatment of the patient. The term does not include a recording used for a training activity by a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that is not required to be retained pursuant to section 2, 3, 4 or 5 of this act.

- **Sec. 2.** Chapter 641 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for

mental health professionals is not required to retain a recording of the provision of mental health services by a psychologist to a patient that meets the requirements of subsection 2 if:

- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The patient has provided informed consent <u>in writing on a form that</u> <u>meets the requirements prescribed by the Board pursuant to subsection 3</u> to the use of the recording in the training activity; [and]
- (c) [Discarding] Destroying the recording does not result in noncompliance with the obligations described in subsection [2,] 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a psychologist to a patient used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the patient unless the patient has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
 - 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a psychologist who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a psychologist to a patient for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and
 - (c) Defining "training activity" for the purposes of this section.
- <u>4.</u> The provisions of this section do not abrogate, alter or otherwise affect the obligation of a psychologist to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to patients in accordance with NRS 629.051 to 629.069, inclusive.
- [3.] 5. As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical

alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.

- **Sec. 3.** Chapter 641A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The client has provided informed consent in writing on a form that meets the requirements prescribed by the Board pursuant to subsection 3 to the use of the recording in the training activity; [and]
- (c) [Discarding] Destroying the recording does not result in noncompliance with the obligations described in subsection [2.] 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the client unless the client has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
- 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a marriage and family therapist or clinical professional counselor who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and

- (c) Defining "training activity" for the purposes of this section.
- <u>4.</u> The provisions of this section do not abrogate, alter or otherwise affect the obligation of a marriage and family therapist or clinical professional counselor to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to clients in accordance with NRS 629.051 to 629.069, inclusive.
- [3-] 5. As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
- **Sec. 4.** Chapter 641B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The client has provided informed consent in writing on a form that meets the requirements prescribed by the Board pursuant to subsection 3 to the use of the recording in the training activity; fand
- (c) [Discarding] <u>Destroying</u> the recording does not result in noncompliance with the obligations described in subsection [2,] <u>4; and</u>
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. <u>A recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client used for the purpose described in paragraph (a) of subsection 1:</u>
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the client unless the client has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
- 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and

- (2) The length of time that a social worker, independent social worker or clinical social worker who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and
- (c) Defining "training activity" for the purposes of this section.
- <u>4.</u> The provisions of this section do not abrogate, alter or otherwise affect the obligation of a social worker, independent social worker or clinical social worker to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to clients in accordance with NRS 629.051 to 629.069, inclusive.
- [3.] 5. As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
- **Sec. 5.** Chapter 641C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The client has provided informed consent <u>in writing on a form that</u> <u>meets the requirements prescribed by the Board pursuant to subsection 3</u> to the use of the recording in the training activity; [and]
- (c) [Disearding] Destroying the recording does not result in noncompliance with the obligations described in subsection [2.] 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations

- adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the client unless the client has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
- 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and
- (c) Defining "training activity" for the purposes of this section.
- <u>4.</u> The provisions of this section do not abrogate, alter or otherwise affect the obligation of a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to clients in accordance with NRS 629.051 to 629.069, inclusive.
- [3.] 5. As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
- Sec. 6. 1. This section becomes effective upon passage and approval.
- 2. Sections 1 to 5, inclusive, of this act [becomes] become effective [on]
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
- (b) On July 1, 2021 [-], for all other purposes.

Assemblywoman Jauregui moved that the Assembly concur in the Senate Amendment No. 554 to Assembly Bill No. 366.

Remarks by Assemblywoman Jauregui. Motion carried by a constitutional majority.

The following Senate amendment was read: Amendment No. 730.

AN ACT relating to mental health; exempting recordings of certain training activities from requirements concerning the retention, maintenance and disclosure of health care records under certain circumstances; requiring the destruction of such a recording after a certain period of time; prescribing certain additional requirements governing such a recording; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes various requirements concerning the retention, maintenance and disclosure of health care records, including the patient or client records of a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor. (NRS 629.051-629.069) This bill provides that a program of education for such mental health professionals approved by the applicable licensing board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of services by such a mental health professional to a patient if: (1) the recording is used for a training activity; (2) the patient has provided informed written consent to the use of the recording in the training activity; (3) destroying the recording does not result in the maintenance of incomplete patient records; and (4) the recording is destroyed after a period of time prescribed by the licensing board responsible for regulating the mental health professional. This bill requires such a recording to meet certain federal requirements designed to prevent the reproduction, copying or theft of the recording. This bill also prohibits the inclusion of personally identifiable information concerning a patient or client unless the patient or client, as applicable, has provided specific informed written consent to the inclusion of that information in the recording.

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

Section 1. NRS 629.021 is hereby amended to read as follows:

629.021 "Health care records" means <u>except as otherwise provided in section 2, 3, 4 or 5 of this act</u>, any reports, notes, orders, photographs, X-rays or other recorded data or information whether maintained in written, electronic or other form which is received or produced by a provider of health care, or any person employed by a provider of health care, and contains information relating to the medical history, examination, diagnosis or treatment of the patient.

[The term does not include a recording used for a training activity by a program of education for mental health professionals, a mental health

professional or a person receiving training for mental health professionals that is not required to be retained pursuant to section 2, 3, 4 or 5 of this act.

- **Sec. 2.** Chapter 641 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a psychologist to a patient that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The patient has provided informed consent in writing on a form that meets the requirements prescribed by the Board pursuant to subsection 3 to the use of the recording in the training activity;
- (c) Destroying the recording does not result in noncompliance with the obligations described in subsection 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a psychologist to a patient used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the patient unless the patient has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
 - 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a psychologist who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a psychologist to a patient for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and
 - (c) Defining "training activity" for the purposes of this section.
- 4. The provisions of this section do not abrogate, alter or otherwise affect the obligation of a psychologist to comply with the applicable requirements

of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to patients in accordance with NRS 629.051 to 629.069, inclusive.

- 5. Except where necessary for compliance with subsection 4, a recording of the provision of mental health services by a psychologist to a patient that is used for a training activity by a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals in accordance with the provisions of this section is not a health care record for the purposes of chapter 629 of NRS.
- <u>6.</u> As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
- **Sec. 3.** Chapter 641A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The client has provided informed consent in writing on a form that meets the requirements prescribed by the Board pursuant to subsection 3 to the use of the recording in the training activity;
- (c) Destroying the recording does not result in noncompliance with the obligations described in subsection 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the client unless the client has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
 - 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:

- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a marriage and family therapist or clinical professional counselor who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and
 - (c) Defining "training activity" for the purposes of this section.
- 4. The provisions of this section do not abrogate, alter or otherwise affect the obligation of a marriage and family therapist or clinical professional counselor to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to clients in accordance with NRS 629.051 to 629.069, inclusive.
- 5. Except where necessary for compliance with subsection 4, a recording of the provision of mental health services by a marriage and family therapist or clinical professional counselor to a client that is used for a training activity by a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals in accordance with the provisions of this section is not a health care record for the purposes of chapter 629 of NRS.
- <u>6.</u> As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
- **Sec. 4.** Chapter 641B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The client has provided informed consent in writing on a form that meets the requirements prescribed by the Board pursuant to subsection 3 to the use of the recording in the training activity;

- (c) Destroying the recording does not result in noncompliance with the obligations described in subsection 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the client unless the client has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
 - 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a social worker, independent social worker or clinical social worker who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and
 - (c) Defining "training activity" for the purposes of this section.
- 4. The provisions of this section do not abrogate, alter or otherwise affect the obligation of a social worker, independent social worker or clinical social worker to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to clients in accordance with NRS 629.051 to 629.069, inclusive.
- 5. Except where necessary for compliance with subsection 4, a recording of the provision of mental health services by a social worker, independent social worker or clinical social worker to a client that is used for a training activity by a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals in accordance with the provisions of this section is not a health care record for the purposes of chapter 629 of NRS.

- <u>6.</u> As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
- **Sec. 5.** Chapter 641C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A program of education for mental health professionals approved by the Board, a mental health professional or a person receiving training for mental health professionals is not required to retain a recording of the provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client that meets the requirements of subsection 2 if:
- (a) The recording is used for a training activity that is part of a program of education for mental health professionals approved by the Board;
- (b) The client has provided informed consent in writing on a form that meets the requirements prescribed by the Board pursuant to subsection 3 to the use of the recording in the training activity;
- (c) Destroying the recording does not result in noncompliance with the obligations described in subsection 4; and
- (d) The recording is destroyed after the expiration of the period of time prescribed by the Board pursuant to paragraph (b) of subsection 3.
- 2. A recording of the provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client used for the purpose described in paragraph (a) of subsection 1:
- (a) Must meet all requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and any regulations adopted thereto, that are designed to prevent the reproduction, copying or theft of the recording; and
- (b) Must not contain any personally identifiable information relating to the client unless the client has provided informed consent in writing specifically authorizing the inclusion of that information in the recording.
 - 3. The Board shall adopt regulations:
- (a) Prescribing requirements governing the provision of informed written consent pursuant to paragraph (b) of subsection 1, including, without limitation, requirements governing:
- (1) The form on which such informed written consent must be provided; and
- (2) The length of time that a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor who obtains such informed written consent must maintain the informed written consent;
- (b) Prescribing the length of time that a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals that uses a recording of the

provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client for the purposes described in paragraph (a) of subsection 1 may retain the recording before destroying it; and

- (c) Defining "training activity" for the purposes of this section.
- 4. The provisions of this section do not abrogate, alter or otherwise affect the obligation of a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to comply with the applicable requirements of chapter 629 of NRS, including, without limitation, the requirement to retain records concerning the mental health services that he or she provides to clients in accordance with NRS 629.051 to 629.069, inclusive.
- 5. Except where necessary for compliance with subsection 4, a recording of the provision of mental health services by a clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor to a client that is used for a training activity by a program of education for mental health professionals, a mental health professional or a person receiving training for mental health professionals in accordance with the provisions of this section is not a health care record for the purposes of chapter 629 of NRS.
- <u>6.</u> As used in this section, "mental health professional" means a psychologist, marriage and family therapist, clinical professional counselor, social worker, independent social worker, clinical social worker, clinical alcohol and drug counselor, alcohol and drug counselor or problem gambling counselor.
 - **Sec. 6.** 1. This section becomes effective upon passage and approval.
 - 2. Sections 1 to 5, inclusive, of this act become effective:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On July 1, 2021, for all other purposes.

Assemblywoman Jauregui moved that the Assembly concur in the Senate Amendment No. 730 to Assembly Bill No. 336.

Remarks by Assemblywoman Jauregui.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 426.

The following Senate amendment was read:

Amendment No. 494.

AN ACT relating to the protection of children; authorizing an agency which provides child welfare service or its designee to request a warrant to place a child in protective custody under certain circumstances; revising the requirements for notice given to certain persons of certain hearings; authorizing the Attorney General to sign a petition alleging that a child is in

need of protection; making various other changes relating to the protection of children; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes an agent or officer of a law enforcement agency, an agent or officer of the local juvenile probation department or the local department of juvenile services, or a designee of an agency which provides child welfare services to place a child in protective custody if there is reasonable cause to believe that immediate action is necessary to protect the child from injury, abuse or neglect. (NRS 432B.390) Section 1 of this bill authorizes an agency which provides child welfare services or its designee to request that the court issue a warrant to place a child in protective custody if there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect but the threat is not imminent in the time it would take to obtain a warrant. Section 1 also: (1) sets forth the information that must be included in such a warrant; (2) provides that the warrant is enforceable in any jurisdiction in this State; (3) establishes that the warrant is valid for 10 days after the date of issuance, unless otherwise specified in the warrant; (4) requires that a copy of the warrant must be provided to the parent, guardian or custodian of the child; (5) clarifies that obtaining a warrant does not preclude an agency which provides child welfare services from requesting a subsequent warrant; (6) requires that a hearing on protective custody must be held in accordance with existing law if the warrant is executed; and (7) requires the application for the warrant and the warrant to be filed with the clerk of the court. Section 2 of this bill makes a conforming change to indicate the placement of section 1 in the Nevada Revised Statutes, and sections 3 and 4 of this bill make conforming changes that are necessary as a result of the changes made by **section 1**.

Existing law grants the court exclusive original jurisdiction in proceedings concerning any child living or found within the county who is a child in need of protection or may be a child in need of protection. (NRS 432B.410) **Section 5** of this bill provides that the jurisdiction of the court also applies to [a] any child who is domiciled [in] within the county.

Existing law sets forth the circumstances under which a person is considered to have a special interest in a child and provides that if the court or a special master finds that a person has a special interest in a child, the court or the special master is required to: (1) ensure that the person is involved in and notified of any plan for the temporary or permanent placement of the child and is allowed to offer recommendations regarding the plan; and (2) allow the person to testify at any hearing to determine any temporary or permanent placement of the child. (NRS 432B.457) **Section 6** of this bill clarifies that such a finding: (1) may be made upon the initiative of the court or special master or the motion of a party; and (2) may be reviewed **fandly or** modified by the court or special master at any time.

Existing law requires that certain persons be given notice of certain hearings regarding the placement of a child when the child has been placed in protective

custody, when the court is conducting a review of the placement of the child and when the court is considering the permanent placement of the child. (NRS 432B.470, 432B.580, 432B.590) **Sections 7, 11 and 12** of this bill revise the provisions relating to the notice given to a parent or other person responsible for the child's welfare before such hearings. **Sections 11 and 12** also clarify that certain determinations by the court must be made based upon a preponderance of the evidence.

Existing law provides that a petition alleging that a child is in need of protection may be signed only by: (1) a representative of an agency which provides child welfare services; (2) a law enforcement officer or probation officer; or (3) the district attorney. (NRS 432B.510) **Section 8** of this bill authorizes the Attorney General to sign such a petition. **Section 9** of this bill makes a conforming change to reflect the change in **section 8** authorizing the Attorney General to sign such a petition.

Existing law authorizes the court to dispose of a case if the court finds by a preponderance of the evidence that the child was in need of protection at the time of the removal of the child from the home. (NRS 432B.530) **Section 10** of this bill authorizes the court to dispose of a case if the court finds by a preponderance of the evidence that the child was in need of protection at the time of the completion of the investigation by the agency which provides child welfare services, if the child was not removed from the home.

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

Section 1. Chapter 432B of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. An agency which provides child welfare services or its designee may request that the court issue a warrant to place a child in protective custody if there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect but the threat is not imminent in the time it would take to obtain a warrant.
- 2. If the court, after review of a verified statement or sworn testimony presented by the agency which provides child welfare services or its designee, finds that there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect, the court may issue a warrant authorizing the child to be placed in protective custody.
 - 3. The warrant to place a child in protective custody:
- (a) Must include a finding that it is contrary to the welfare of the child to remain in the home;
- (b) Must identify the basis for the finding that that there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect;
- (c) Must authorize the agency which provides child welfare services or its designee to immediately place the child in protective custody; and

- (d) May, if there is reasonable cause to believe that the child or the person placing the child in protective custody may be threatened with harm, authorize an agent or officer of a law enforcement agency or an agent or officer of a local juvenile probation department or the local department of juvenile services to assist the agency which provides child welfare services or its designee in placing the child in protective custody.
 - 4. A warrant issued pursuant to this section:
 - (a) Is enforceable in any jurisdiction in this State; and
- (b) Is valid for 10 days after the date of issuance, unless otherwise specified in the order.
- 5. A copy of a warrant issued pursuant to this section must be provided to the parent, guardian or custodian of a child placed in protective custody.
- 6. The provisions of this section do not preclude an agency which provides child welfare services or its designee that has obtained a warrant pursuant to this section from requesting a subsequent warrant if there remains reasonable cause to believe that the child is in need of protection from injury, abuse or neglect.
- 7. If a warrant issued pursuant to this section is executed, a hearing on protective custody must be held in accordance with the provisions of NRS 432B.470 and 432B.480.
- 8. The application for the warrant and the warrant must be filed with the clerk of the court.
 - **Sec. 2.** NRS 432B.260 is hereby amended to read as follows:
- 432B.260 1. Upon the receipt of a report concerning the possible abuse or neglect of a child, an agency which provides child welfare services or a law enforcement agency shall promptly notify the appropriate licensing authority, if any. A law enforcement agency shall promptly notify an agency which provides child welfare services of any report it receives.
- 2. Upon receipt of a report concerning the possible abuse or neglect of a child, an agency which provides child welfare services or a law enforcement agency shall immediately initiate an investigation if the report indicates that:
 - (a) There is a high risk of serious harm to the child;
 - (b) The child has suffered a fatality; or
- (c) The child is living in a household in which another child has died, or the child is seriously injured or has visible signs of physical abuse.
- 3. Except as otherwise provided in subsection 2, upon receipt of a report concerning the possible abuse or neglect of a child or notification from a law enforcement agency that the law enforcement agency has received such a report, an agency which provides child welfare services shall conduct an evaluation not later than 3 days after the report or notification was received to determine whether an investigation is warranted. For the purposes of this subsection, an investigation is not warranted if:
 - (a) The child is not in imminent danger of harm;

- (b) The child is not vulnerable as the result of any untreated injury, illness or other physical, mental or emotional condition that threatens the immediate health or safety of the child;
- (c) The alleged abuse or neglect of the child or the alleged effect of a fetal alcohol spectrum disorder or prenatal substance use disorder on or the withdrawal symptoms resulting from any prenatal substance exposure of the newborn infant could be eliminated if the child and the family of the child are referred to or participate in social or health services offered in the community, or both; or
 - (d) The agency determines that the:
- (1) Alleged abuse or neglect was the result of the reasonable exercise of discipline by a parent or guardian of the child involving the use of corporal punishment; and
- (2) Corporal punishment so administered was not so excessive as to constitute abuse or neglect as described in NRS 432B.150.
- 4. If the agency determines that an investigation is warranted, the agency shall initiate the investigation not later than 3 days after the evaluation is completed.
- 5. If an agency which provides child welfare services investigates a report of alleged abuse or neglect of a child pursuant to NRS 432B.010 to 432B.400, inclusive, *and section 1 of this act*, the agency shall inform the person responsible for the child's welfare who is named in the report as allegedly causing the abuse or neglect of the child of any allegation which is made against the person at the initial time of contact with the person by the agency. The agency shall not identify the person responsible for reporting the alleged abuse or neglect.
- 6. If the agency determines that an investigation is not warranted, the agency may, as appropriate:
- (a) Provide counseling, training or other services relating to child abuse and neglect to the family of the child, or refer the family to a person who has entered into an agreement with the agency to provide those services; or
- (b) Conduct an assessment of the family of the child to determine what services, if any, are needed by the family and, if appropriate, provide any such services or refer the family to a person who has entered into a written agreement with the agency to make such an assessment.
- 7. If an agency which provides child welfare services enters into an agreement with a person to provide services to a child or the family of the child pursuant to subsection 6, the agency shall require the person to notify the agency if the child or the family refuses or fails to participate in the services, or if the person determines that there is a serious risk to the health or safety of the child
- 8. If an agency which provides child welfare services determines pursuant to subsection 3 that an investigation is not warranted, the agency may, at any time, reverse that determination and initiate an investigation.

- 9. An agency which provides child welfare services and a law enforcement agency shall cooperate in the investigation, if any, of a report of abuse or neglect of a child.
 - **Sec. 3.** NRS 432B.340 is hereby amended to read as follows:
- 432B.340 1. If the agency which provides child welfare services determines that a child needs protection, but is not in imminent danger from abuse or neglect [,] and does not need to be placed in protective custody pursuant to NRS 432B.390, it may:
- (a) Offer to the parents or guardian a plan for services and inform the parents or guardian that the agency has no legal authority to compel the parents or guardian to accept the plan but that it has the authority to petition the court pursuant to NRS 432B.490 or to refer the case to the district attorney or a law enforcement agency; or
- (b) File a petition pursuant to NRS 432B.490 and, if a child is adjudicated in need of protection, request that the child be removed from the custody of the parents or guardian or that the child remain at home with or without the supervision of the court or of any person or agency designated by the court.
- 2. If the parent or guardian accepts the conditions of the plan offered by the agency pursuant to paragraph (a) of subsection 1, the agency may elect not to file a petition and may arrange for appropriate services, including medical care, care of the child during the day, management of the home or supervision of the child, the parents or guardian.
 - **Sec. 4.** NRS 432B.390 is hereby amended to read as follows:
- 432B.390 1. An agent or officer of a law enforcement agency, an officer of the local juvenile probation department or the local department of juvenile services, or a designee of an agency which provides child welfare services [:] may place a child in protective custody:
- (a) [May place a child in protective custody without the consent of] If the [person responsible for the child's welfare if] parent or legal guardian consents to the child being placed in protective custody.
- **(b)** If the agent, officer or designee has reasonable cause to believe that immediate action is necessary to protect the child from injury, abuse or neglect.
 - [(b) Shall place a child in protective custody upon]
- (c) Upon the issuance of a warrant to place a child in protective custody pursuant to section 1 of this act.
- (d) Upon the death of a parent of the child, [without the consent of the person responsible for the welfare of the child,] if the agent, officer or designee has reasonable cause to believe that the death of the parent of the child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018.
- 2. When an agency which provides child welfare services receives a report pursuant to subsection 2 of NRS 432B.630, a designee of the agency which provides child welfare services shall immediately place the child in protective custody.

- 3. If there is reasonable cause to believe that the death of a parent of a child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, a protective custody hearing must be held pursuant to NRS 432B.470, whether the child was placed in protective custody or with a relative. If an agency other than an agency which provides child welfare services becomes aware that there is reasonable cause to believe that the death of a parent of a child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, that agency shall immediately notify the agency which provides child welfare services and a protective custody hearing must be scheduled.
- 4. An agency which provides child welfare services shall request the assistance of a law enforcement agency in the removal of a child if the agency has reasonable cause to believe that the child or the person placing the child in protective custody may be threatened with harm.
- 5. Before taking a child for placement in protective custody, the person taking the child shall show his or her identification to any person who is responsible for the child and is present at the time the child is taken. If a person who is responsible for the child is not present at the time the child is taken, the person taking the child shall show his or her identification to any other person upon request. The identification required by this subsection must be a single card that contains a photograph of the person taking the child and identifies the person as a person authorized pursuant to this section to place a child in protective custody.
- 6. A child placed in protective custody pending an investigation and a hearing held pursuant to NRS 432B.470 must be placed, except as otherwise provided in NRS 432B.3905, in the following order of priority:
 - (a) In a hospital, if the child needs hospitalization.
- (b) With a person who is related within the fifth degree of consanguinity or a fictive kin, and who is suitable and able to provide proper care and guidance for the child, regardless of whether the relative or fictive kin resides within this State.
 - (c) In a foster home that is licensed pursuant to chapter 424 of NRS.
 - (d) In any other licensed shelter that provides care to such children.
- 7. Whenever possible, a child placed pursuant to subsection 6 must be placed together with any siblings of the child. Such a child must not be placed in a jail or other place for detention, incarceration or residential care of persons convicted of a crime or children charged with delinquent acts.
- 8. A person placing a child in protective custody pursuant to subsection 1 shall:
- (a) Immediately take steps to protect all other children remaining in the home or facility, if necessary;
- (b) Immediately make a reasonable effort to inform the person responsible for the child's welfare that the child has been placed in protective custody; and
- (c) As soon as practicable, inform the agency which provides child welfare services and the appropriate law enforcement agency, except that if the

placement violates the provisions of NRS 432B.3905, the person shall immediately provide such notification.

- 9. If a child is placed with any person who resides outside this State, the placement must be in accordance with NRS 127.330.
- 10. As used in this section, "fictive kin" means a person who is not related by blood to a child but who has a significant emotional and positive relationship with the child.
 - **Sec. 5.** NRS 432B.410 is hereby amended to read as follows:
- 432B.410 1. Except if the child involved is subject to the jurisdiction of an Indian tribe pursuant to the Indian Child Welfare Act, the court has exclusive original jurisdiction in proceedings concerning any child *domiciled*, living or found within the county who is a child in need of protection or may be a child in need of protection.
- 2. Action taken by the court because of the abuse or neglect of a child does not preclude the prosecution and conviction of any person for violation of NRS 200.508 based on the same facts.
 - **Sec. 6.** NRS 432B.457 is hereby amended to read as follows:
- 432B.457 1. If , upon the initiative of the court or a special master appointed pursuant to NRS 432B.455 or the motion of a party, the court or [a] special master [appointed pursuant to NRS 432B.455] finds that a person has a special interest in a child, the court or [the] special master shall:
- (a) Except for good cause, ensure that the person is involved in and notified of any plan for the temporary or permanent placement of the child and is allowed to offer recommendations regarding the plan; and
- (b) Allow the person to testify at any hearing held pursuant to this chapter to determine any temporary or permanent placement of the child.
- 2. A finding that a person has a special interest in a child pursuant to subsection 1 may be reviewed or modified at any time by the court or special master.
- 3. For the purposes of this section, a person "has a special interest in a child" if:
 - (a) The person is:
 - (1) A parent or other relative of the child;
 - (2) A foster parent or other provider of substitute care for the child;
 - (3) A provider of care for the medical or mental health of the child;
- (4) An educational decision maker appointed for the child pursuant to NRS 432B.462; or
- (5) A teacher or other school official who works directly with the child; and
 - (b) The person:
 - (1) Has a personal interest in the well-being of the child; or
- (2) Possesses information that is relevant to the determination of the placement of the child.

- **Sec. 7.** NRS 432B.470 is hereby amended to read as follows:
- 432B.470 1. A child [taken into] placed in protective custody pursuant to NRS 432B.390 must be given a hearing, conducted by a judge, master or special master appointed by the judge for that particular hearing, within 72 hours, excluding Saturdays, Sundays and holidays, after being [taken into] placed in protective custody, to determine whether the child should remain in protective custody pending further action by the court.
- 2. Except as otherwise provided in this subsection, notice of the time and place of the hearing must be given to a parent or other person responsible for the child's welfare:
 - (a) By personal service of a written notice;
- (b) Orally $\frac{1}{1}$, with a written notice mailed to the last known address of the parent or other person responsible for the child's welfare within 24 hours after the child is placed in protective custody; or
- (c) If the parent or other person responsible for the child's welfare cannot be located [after a reasonable effort, by posting a written notice on the door of the residence of the parent or other person.] for personal or oral service, by mailing a written notice to the last known address of the parent or other person responsible for the child's welfare within 24 hours after the child is placed in protective custody.
- → If the child was delivered to a provider of emergency services pursuant to NRS 432B.630, the parent who delivered the child to the provider shall be deemed to have waived any right to notice of the hearing conducted pursuant to this section.
- 3. If [notice is given by means of paragraph (b) or (c) of subsection 2, a copy of the notice must be mailed to the person at the last known address of the person within 24 hours after the child is placed in protective custody.] the parent or other person responsible for the child's welfare cannot be located for personal or oral notice and the last known address of the parent or other person responsible for the child's welfare cannot be ascertained, reasonable efforts must be made to locate and notify the parent or other person responsible for the child's welfare as soon as possible.
- 4. Actual notice of the hearing or appearance at the hearing shall be deemed to satisfy the requirements relating to notice set forth in this section.
 - **Sec. 8.** NRS 432B.510 is hereby amended to read as follows:
- 432B.510 1. A petition alleging that a child is in need of protection may be signed only by:
 - (a) A representative of an agency which provides child welfare services;
 - (b) A law enforcement officer or probation officer; or
 - (c) The district attorney [.] or the Attorney General.
- 2. The district attorney shall countersign every petition alleging need of protection, *other than a petition signed by the Attorney General*, and shall represent the interests of the public in all proceedings. If the district attorney fails or refuses to countersign the petition, the petitioner may seek a review by the Attorney General. If the Attorney General determines that a petition should

be filed, the Attorney General shall countersign the petition and shall represent the interests of the public in all subsequent proceedings.

- 3. Every petition must be entitled "In the Matter of....., a child," and must be verified by the person who signs it.
 - 4. Every petition must set forth specifically:
- (a) The facts which bring the child within the jurisdiction of the court as indicated in NRS 432B.410.
- (b) The name, date of birth and address of the primary residence of the child at the time of removal.
- (c) The names and addresses of the residences of the child's parents and any other person responsible for the child's welfare, and spouse if any. If the parents or other person responsible for the welfare of the child do not reside in this State or cannot be found within the State, or if their addresses are unknown, the petition must state the name of any known adult relative residing within the State or, if there is none, the known adult relative residing nearest to the court.
 - (d) Whether the child is in protective custody and, if so:
- (1) The agency responsible for placing the child in protective custody and the reasons therefor; and
- (2) Whether the child has been placed in a home or facility in compliance with the provisions of NRS 432B.3905. If the placement does not comply with the provisions of NRS 432B.3905, the petition must include a plan for transferring the child to a placement which complies with the provisions of NRS 432B.3905.
- 5. When any of the facts required by subsection 4 are not known, the petition must so state.
 - **Sec. 9.** NRS 432B.515 is hereby amended to read as follows:
- 432B.515 1. A court clerk may allow any of the following documents to be filed electronically:
- (a) A petition signed by the district attorney *or the Attorney General* pursuant to NRS 432B.510; or
 - (b) A report prepared pursuant to NRS 432B.540.
- 2. Any document that is filed electronically pursuant to this section must contain an image of the signature of the person who is filing the document.
 - **Sec. 10.** NRS 432B.530 is hereby amended to read as follows:
- 432B.530 1. An adjudicatory hearing must be held within 30 days after the filing of the petition, unless good cause is shown or the hearing has been continued until a later date pursuant to NRS 432B.513.
- 2. At the hearing, the court shall inform the parties of the specific allegations in the petition and give them an opportunity to admit or deny them. If the allegations are denied, the court shall hear evidence on the petition.
- 3. In adjudicatory hearings, all relevant and material evidence helpful in determining the questions presented, including oral and written reports, may be received by the court and may be relied upon to the extent of its probative value. The parties or their attorney must be afforded an opportunity to examine

and controvert written reports so received and to [cross examine] examine individuals making reports when reasonably available.

- 4. The court may require the child to be present in court at the hearing.
- 5. If the court finds by a preponderance of the evidence that the child was in need of protection at the time of the removal of the child from the home [], or, if the child was not removed from the home, at the time of the completion of the investigation by the agency which provides child welfare services, it shall record its findings of fact and may proceed immediately or at another hearing held within 15 working days, to make a proper disposition of the case. If the court finds that the allegations in the petition have not been established, it shall dismiss the petition and, if the child is in protective custody, order the immediate release of the child.
- 6. The findings of fact recorded by the court pursuant to subsection 5 and any specific allegations in the petition admitted to by the parties must be included as part of the disposition of the case in the report required to be made to the Central Registry pursuant to NRS 432B.310.
 - **Sec. 11.** NRS 432B.580 is hereby amended to read as follows:
- 432B.580 1. Except as otherwise provided in this section and NRS 432B.513, if a child is placed pursuant to NRS 432B.550 other than with a parent, the placement must be reviewed by the court at least semiannually, and within 90 days after a request by a party to any of the prior proceedings. Unless the parent, guardian or the custodian objects to the referral, the court may enter an order directing that the placement be reviewed by a panel appointed pursuant to NRS 432B.585.
- 2. An agency acting as the custodian of the child shall, before any hearing for review of the placement of a child, submit a report to the court, or to the panel if it has been designated to review the matter, which includes:
- (a) An evaluation of the progress of the child and the family of the child and any recommendations for further supervision, treatment or rehabilitation.
- (b) Information concerning the placement of the child in relation to the child's siblings, including, without limitation:
 - (1) Whether the child was placed together with the siblings;
- (2) Any efforts made by the agency to have the child placed together with the siblings;
- (3) Any actions taken by the agency to ensure that the child has contact with the siblings; and
 - (4) If the child is not placed together with the siblings:
- (I) The reasons why the child is not placed together with the siblings; and
- (II) A plan for the child to visit the siblings, which must be presented at the first hearing to occur after the siblings are separated and approved by the court. The plan for visitation must be updated as necessary to reflect any change in the placement of the child or a sibling, including, without limitation, any such change that occurs after the termination of parental rights to the child or a sibling or the adoption of a sibling.

- (c) Information concerning the child's education, including:
- (1) A copy of any academic plan or individual graduation plan developed for the child pursuant to NRS 388.155, 388.165, 388.205 or 388.227;
 - (2) The grade and school in which the child is enrolled;
- (3) The name of each school the child attended before enrolling in the school in which he or she is currently enrolled and the corresponding dates of attendance;
- (4) Whether the child has not completed or passed any course of instruction that the child should have completed or passed by the time the report is submitted, which has resulted in the child having a deficiency in credits:
- (5) A copy of any individualized education program developed for the child;
- (6) A copy of any plan developed in accordance with section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794;
 - (7) A summary of any special education services received by the child;
 - (8) A copy of the most recent report card of the child;
- (9) A statement of the number of credits earned by the child during the most recent semester, if applicable;
- (10) A statement of the number of times the child has been absent from school during the current or most recent school year for which the child was enrolled in school;
- (11) The scores the child received on any academic assessments or standardized examinations administered to the child;
- (12) Any information provided by the educational decision maker appointed for the child pursuant to NRS 432B.462; and
- (13) Whether a request that the child receive special education services has been made and, if so, the outcome of such a request.
- (d) A copy of any explanations regarding medication that has been prescribed for the child that have been submitted by a foster home pursuant to NRS 424 0383.
- 3. Except as otherwise provided in this subsection, a copy of the report submitted pursuant to subsection 2 must be given to the parents, the guardian ad litem and the attorney, if any, representing the parent or the child. If the child was delivered to a provider of emergency services pursuant to NRS 432B.630 and the parent has not appeared in the action, the report need not be sent to that parent.
- 4. After a plan for visitation between a child and the siblings of the child submitted pursuant to subparagraph (4) of paragraph (b) of subsection 2 has been approved by the court, the agency which provides child welfare services must request the court to issue an order requiring the visitation set forth in the plan for visitation. Upon the issuance of such an order, the court shall provide each sibling of the child with the case number of the proceeding for the purpose of allowing the sibling to petition the court for visitation or enforcement of the order for visitation. If a person refuses to comply with or disobeys an order

issued pursuant to this subsection, the person may be punished as for a contempt of court.

- 5. The court or the panel shall hold a hearing to review the placement, unless the parent, guardian or custodian files a motion with the court to dispense with the hearing. If the motion is granted, the court or panel may make its determination from any report, statement or other information submitted to it.
- 6. Except as otherwise provided in subsection 7 and subsection 5 of NRS 432B.520, notice of the hearing must be filed with the court and must be given by [registered or certified] first-class mail or any other means agreed upon in writing between the agency which provides child welfare services and the recipient of the notice to:
 - (a) All the parties to any of the prior proceedings;
 - (b) Any persons planning to adopt the child;
- (c) A sibling of the child, if known, who has been granted a right to visitation of the child pursuant to this section or NRS 127.171 and his or her attorney, if any;
- (d) Any other relatives of the child or providers of foster care who are currently providing care to the child; and
- (e) The educational decision maker appointed for the child pursuant to NRS 432B.462.
- 7. The notice of the hearing required to be *filed and* given pursuant to subsection 6:
- (a) Must include a statement indicating that if the child is placed for adoption the right to visitation of the child is subject to the provisions of NRS 127.171:
- (b) Must not include any confidential information described in NRS 127.140;
- (c) Need not be given to a parent whose rights have been terminated pursuant to chapter 128 of NRS or who has voluntarily relinquished the child for adoption pursuant to NRS 127.040; and
- (d) Need not be given to a parent who delivered a child to a provider of emergency services pursuant to NRS 432B.630.
- 8. The court or panel may require the presence of the child at the hearing and shall provide to each person to whom notice was given pursuant to subsection 6 a right to be heard at the hearing.
- 9. The court or panel shall [review:], after considering the report provided in subsection 2 and any other relevant evidence, determine based on a preponderance of the evidence:
 - (a) The continuing necessity for and appropriateness of the placement;
- (b) The extent of compliance with the plan submitted pursuant to subsection 2 of NRS 432B.540;
- (c) Any progress which has been made in alleviating the problem which resulted in the placement of the child;

- (d) The date the child may be returned to, and safely maintained in, the home or placed for adoption or under a legal guardianship; and
- (e) [The information described in paragraph (c) of subsection 2 to determine whether] Whether the child is making adequate academic progress and receiving the educational services or supports necessary to ensure the academic success of the child.
- 10. The provision of notice and a right to be heard pursuant to this section does not cause any person planning to adopt the child, any sibling of the child or any other relative, any adoptive parent of a sibling of the child or a provider of foster care to become a party to the hearing.
- 11. As used in this section, "individualized education program" has the meaning ascribed to it in 20 U.S.C. § 1414(d)(1)(A).
 - **Sec. 12.** NRS 432B.590 is hereby amended to read as follows:
- 432B.590 1. Except as otherwise provided in subsection 2 and NRS 432B.513, the court shall hold a hearing concerning the permanent placement of a child:
- (a) Not later than 12 months after the initial removal of the child from the home of the child and annually thereafter.
- (b) Within 30 days after making any of the findings set forth in subsection 3 of NRS 432B.393.
- → Notice of this hearing must be filed with the court and must be given by [registered or certified] first-class mail or any other means agreed upon in writing between the agency which provides child welfare services and the recipient of the notice to all the persons to whom notice must be given pursuant to subsection 6 of NRS 432B.580.
- 2. A parent who delivered a child to a provider of emergency services pursuant to NRS 432B.630 shall be deemed to have waived any right to notice pursuant to this section.
- 3. The court may require the presence of the child at the hearing and shall provide to each person to whom notice was given pursuant to subsection 1 a right to be heard at the hearing.
- 4. At the hearing, the court shall review the report submitted by the agency which provides child welfare services pursuant to subsection 2 of NRS 432B.580, any plan for the permanent placement of the child adopted pursuant to NRS 432B.553 and any other relevant evidence and, if the goal of the plan is a permanent living arrangement other than reunification with his or her parents, placement for adoption, placement with a legal guardian or placement with a relative, ask the child about his or her desired permanent living arrangement. After doing so, the court must determine [:], based on a preponderance of the evidence:
- (a) Whether the agency with legal custody of the child has made the reasonable efforts required by subsection 1 of NRS 432B.553;
 - (b) Whether, and if applicable when:
- (1) The child should be returned to the parents of the child or placed with other relatives;

- (2) It is in the best interests of the child to:
- (I) Initiate proceedings to terminate parental rights pursuant to chapter 128 of NRS so that the child can be placed for adoption;
- (II) Initiate proceedings to establish a guardianship pursuant to chapter 159A of NRS; or
- (III) Establish a guardianship in accordance with NRS 432B.466 to 432B.468, inclusive; or
- (3) The agency with legal custody of the child has produced documentation of its conclusion that there is a compelling reason for the placement of a child who has attained the age of 16 years in another permanent living arrangement;
- (c) If the child will not be returned to the parents of the child, whether the agency with legal custody of the child fully considered placement options both within and outside of this State;
- (d) If the child has attained the age of 14 years, whether the child will receive the services needed to assist the child in transitioning to independent living; and
- (e) If the child has been placed outside of this State, whether the placement outside of this State continues to be appropriate for and in the best interests of the child.
- 5. The court shall prepare an explicit statement of the facts upon which each of its determinations is based pursuant to subsection 4. If the court determines that it is not in the best interests of the child to be returned to his or her parents, or to be placed for adoption, with a legal guardian or with a relative, the court must include compelling reasons for this determination and an explanation of those reasons in its statement of the facts.
- 6. If the court determines that it is in the best interests of the child to terminate parental rights, the court shall use its best efforts to ensure that the procedures required by chapter 128 of NRS are completed within 6 months after the date the court makes that determination, including, without limitation, appointing a private attorney to expedite the completion of the procedures.
- 7. The provisions of this section do not limit the jurisdiction of the court to review any decisions of the agency with legal custody of the child regarding the permanent placement of the child.
- 8. If a child has been placed outside of the home and has resided outside of the home pursuant to that placement for 14 months of any 20 consecutive months, the best interests of the child must be presumed to be served by the termination of parental rights.
- 9. This hearing may take the place of the hearing for review required by NRS 432B.580.
- 10. The provision of notice and a right to be heard pursuant to this section does not cause any person planning to adopt the child, any sibling of the child or any other relative, any adoptive parent of a sibling of the child or a provider of foster care to become a party to the hearing.

Assemblywoman Nguyen moved that the Assembly concur in the Senate Amendment No. 494 to Assembly Bill No. 426.

Remarks by Assemblywoman Nguyen.

Motion carried by a constitutional majority.

The following Senate amendment was read:

Amendment No. 511.

AN ACT relating to the protection of children; authorizing an agency which provides child welfare service or its designee to request a warrant to place a child in protective custody under certain circumstances; revising the requirements for notice given to certain persons of certain hearings; authorizing the Attorney General to sign a petition alleging that a child is in need of protection; making various other changes relating to the protection of children; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes an agent or officer of a law enforcement agency, an agent or officer of the local juvenile probation department or the local department of juvenile services, or a designee of an agency which provides child welfare services to place a child in protective custody if there is reasonable cause to believe that immediate action is necessary to protect the child from injury, abuse or neglect. (NRS 432B.390) Section 1 of this bill authorizes an agency which provides child welfare services or its designee to request that the court issue a warrant to place a child in protective custody if there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect but the threat is not imminent in the time it would take to obtain a warrant. **Section 1** also: (1) sets forth the information that must be included in such a warrant; (2) provides that the warrant is enforceable in any jurisdiction in this State; (3) establishes that the warrant is valid for 10 days after the date of issuance, unless otherwise specified in the warrant; (4) requires that a copy of the warrant must be provided to the parent, guardian or custodian of the child; (5) clarifies that obtaining a warrant does not preclude an agency which provides child welfare services from requesting a subsequent warrant; (6) requires that a hearing on protective custody must be held in accordance with existing law if the warrant is executed; and (7) requires the application for the warrant and the warrant to be filed with the clerk of the court. Section 2 of this bill makes a conforming change to indicate the placement of section 1 in the Nevada Revised Statutes, and sections 3 and 4 of this bill make conforming changes that are necessary as a result of the changes made by section 1.

Existing law grants the court exclusive original jurisdiction in proceedings concerning any child living or found within the county who is a child in need of protection or may be a child in need of protection. (NRS 432B.410) **Section 5** of this bill provides that the jurisdiction of the court also applies to any child who is domiciled within the county.

Existing law sets forth the circumstances under which a person is considered to have a special interest in a child and provides that if the court or a special master finds that a person has a special interest in a child, the court or the special master is required to: (1) ensure that the person is involved in and notified of any plan for the temporary or permanent placement of the child and is allowed to offer recommendations regarding the plan; and (2) allow the person to testify at any hearing to determine any temporary or permanent placement of the child. (NRS 432B.457) **Section 6** of this bill clarifies that such a finding: (1) may be made upon the initiative of the court or special master or the motion of a party; and (2) may be reviewed or modified by the court or special master at any time.

Existing law requires that certain persons be given notice of certain hearings regarding the placement of a child when the child has been placed in protective custody, when the court is conducting a review of the placement of the child and when the court is considering the permanent placement of the child. (NRS 432B.470, 432B.580, 432B.590) **Sections 7, 11 and 12** of this bill revise the provisions relating to the notice given to a parent or other person responsible for the child's welfare before such hearings. **Sections 11 and 12** also clarify that certain determinations by the court must be made based upon a preponderance of the evidence.

Existing law provides that a petition alleging that a child is in need of protection may be signed only by: (1) a representative of an agency which provides child welfare services; (2) a law enforcement officer or probation officer; or (3) the district attorney. (NRS 432B.510) **Section 8** of this bill authorizes the Attorney General to sign such a petition. **Section 9** of this bill makes a conforming change to reflect the change in **section 8** authorizing the Attorney General to sign such a petition.

Existing law authorizes the court to dispose of a case if the court finds by a preponderance of the evidence that the child was in need of protection at the time of the removal of the child from the home. (NRS 432B.530) **Section 10** of this bill authorizes the court to dispose of a case if the court finds by a preponderance of the evidence that the child was in need of protection at the time of the completion of the investigation by the agency which provides child welfare services, if the child was not removed from the home.

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

Section 1. Chapter 432B of NRS is hereby amended by adding thereto a new section to read as follows:

1. An agency which provides child welfare services or its designee may request that the court issue a warrant to place a child in protective custody if there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect but the threat is not imminent in the time it would take to obtain a warrant.

- 2. If the court, after review of a verified statement or sworn testimony presented by the agency which provides child welfare services or its designee, finds that there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect, the court may issue a warrant authorizing the child to be placed in protective custody.
 - 3. The warrant to place a child in protective custody:
- (a) Must include a finding that it is contrary to the welfare of the child to remain in the home;
- (b) Must identify the basis for the finding that that there is reasonable cause to believe that the child is in need of protection from injury, abuse or neglect;
- (c) Must authorize the agency which provides child welfare services or its designee to immediately place the child in protective custody; and
- (d) May, if there is reasonable cause to believe that the child or the person placing the child in protective custody may be threatened with harm, authorize an agent or officer of a law enforcement agency or an agent or officer of a local juvenile probation department or the local department of juvenile services to assist the agency which provides child welfare services or its designee in placing the child in protective custody.
 - 4. A warrant issued pursuant to this section:
 - (a) Is enforceable in any jurisdiction in this State; and
- (b) Is valid for 10 days after the date of issuance, unless otherwise specified in the warrant.
- 5. A copy of a warrant issued pursuant to this section must be provided to the parent, guardian or custodian of a child placed in protective custody.
- 6. The provisions of this section do not preclude an agency which provides child welfare services or its designee that has obtained a warrant pursuant to this section from requesting a subsequent warrant if there remains reasonable cause to believe that the child is in need of protection from injury, abuse or neglect.
- 7. If a warrant issued pursuant to this section is executed, a hearing on protective custody must be held in accordance with the provisions of NRS 432B.470 and 432B.480.
- 8. The application for the warrant and the warrant must be filed with the clerk of the court.
 - **Sec. 2.** NRS 432B.260 is hereby amended to read as follows:
- 432B.260 1. Upon the receipt of a report concerning the possible abuse or neglect of a child, an agency which provides child welfare services or a law enforcement agency shall promptly notify the appropriate licensing authority, if any. A law enforcement agency shall promptly notify an agency which provides child welfare services of any report it receives.
- 2. Upon receipt of a report concerning the possible abuse or neglect of a child, an agency which provides child welfare services or a law enforcement agency shall immediately initiate an investigation if the report indicates that:
 - (a) There is a high risk of serious harm to the child;

- (b) The child has suffered a fatality; or
- (c) The child is living in a household in which another child has died, or the child is seriously injured or has visible signs of physical abuse.
- 3. Except as otherwise provided in subsection 2, upon receipt of a report concerning the possible abuse or neglect of a child or notification from a law enforcement agency that the law enforcement agency has received such a report, an agency which provides child welfare services shall conduct an evaluation not later than 3 days after the report or notification was received to determine whether an investigation is warranted. For the purposes of this subsection, an investigation is not warranted if:
 - (a) The child is not in imminent danger of harm;
- (b) The child is not vulnerable as the result of any untreated injury, illness or other physical, mental or emotional condition that threatens the immediate health or safety of the child;
- (c) The alleged abuse or neglect of the child or the alleged effect of a fetal alcohol spectrum disorder or prenatal substance use disorder on or the withdrawal symptoms resulting from any prenatal substance exposure of the newborn infant could be eliminated if the child and the family of the child are referred to or participate in social or health services offered in the community, or both; or
 - (d) The agency determines that the:
- (1) Alleged abuse or neglect was the result of the reasonable exercise of discipline by a parent or guardian of the child involving the use of corporal punishment; and
- (2) Corporal punishment so administered was not so excessive as to constitute abuse or neglect as described in NRS 432B.150.
- 4. If the agency determines that an investigation is warranted, the agency shall initiate the investigation not later than 3 days after the evaluation is completed.
- 5. If an agency which provides child welfare services investigates a report of alleged abuse or neglect of a child pursuant to NRS 432B.010 to 432B.400, inclusive, *and section 1 of this act*, the agency shall inform the person responsible for the child's welfare who is named in the report as allegedly causing the abuse or neglect of the child of any allegation which is made against the person at the initial time of contact with the person by the agency. The agency shall not identify the person responsible for reporting the alleged abuse or neglect.
- 6. If the agency determines that an investigation is not warranted, the agency may, as appropriate:
- (a) Provide counseling, training or other services relating to child abuse and neglect to the family of the child, or refer the family to a person who has entered into an agreement with the agency to provide those services; or
- (b) Conduct an assessment of the family of the child to determine what services, if any, are needed by the family and, if appropriate, provide any such

services or refer the family to a person who has entered into a written agreement with the agency to make such an assessment.

- 7. If an agency which provides child welfare services enters into an agreement with a person to provide services to a child or the family of the child pursuant to subsection 6, the agency shall require the person to notify the agency if the child or the family refuses or fails to participate in the services, or if the person determines that there is a serious risk to the health or safety of the child.
- 8. If an agency which provides child welfare services determines pursuant to subsection 3 that an investigation is not warranted, the agency may, at any time, reverse that determination and initiate an investigation.
- 9. An agency which provides child welfare services and a law enforcement agency shall cooperate in the investigation, if any, of a report of abuse or neglect of a child.
 - **Sec. 3.** NRS 432B.340 is hereby amended to read as follows:
- 432B.340 1. If the agency which provides child welfare services determines that a child needs protection, but is not in imminent danger from abuse or neglect [,] and does not need to be placed in protective custody pursuant to NRS 432B.390, it may:
- (a) Offer to the parents or guardian a plan for services and inform the parents or guardian that the agency has no legal authority to compel the parents or guardian to accept the plan but that it has the authority to petition the court pursuant to NRS 432B.490 or to refer the case to the district attorney or a law enforcement agency; or
- (b) File a petition pursuant to NRS 432B.490 and, if a child is adjudicated in need of protection, request that the child be removed from the custody of the parents or guardian or that the child remain at home with or without the supervision of the court or of any person or agency designated by the court.
- 2. If the parent or guardian accepts the conditions of the plan offered by the agency pursuant to paragraph (a) of subsection 1, the agency may elect not to file a petition and may arrange for appropriate services, including medical care, care of the child during the day, management of the home or supervision of the child, the parents or guardian.
 - **Sec. 4.** NRS 432B.390 is hereby amended to read as follows:
- 432B.390 1. An agent or officer of a law enforcement agency, an officer of the local juvenile probation department or the local department of juvenile services, or a designee of an agency which provides child welfare services [:] may place a child in protective custody:
- (a) [May place a child in protective custody without the consent of] If the [person responsible for the child's welfare if] parent or legal guardian consents to the child being placed in protective custody; [-]
- (b) If the agent, officer or designee has reasonable cause to believe that immediate action is necessary to protect the child from injury, abuse or neglect : +

- (c) Upon the issuance of a warrant to place a child in protective custody pursuant to section 1 of this act $\frac{1}{2}$; or
- (d) Upon the death of a parent of the child, [without the consent of the person responsible for the welfare of the child,] if the agent, officer or designee has reasonable cause to believe that the death of the parent of the child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018.
- 2. When an agency which provides child welfare services receives a report pursuant to subsection 2 of NRS 432B.630, a designee of the agency which provides child welfare services shall immediately place the child in protective custody.
- 3. If there is reasonable cause to believe that the death of a parent of a child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, a protective custody hearing must be held pursuant to NRS 432B.470, whether the child was placed in protective custody or with a relative. If an agency other than an agency which provides child welfare services becomes aware that there is reasonable cause to believe that the death of a parent of a child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, that agency shall immediately notify the agency which provides child welfare services and a protective custody hearing must be scheduled.
- 4. An agency which provides child welfare services shall request the assistance of a law enforcement agency in the removal of a child if the agency has reasonable cause to believe that the child or the person placing the child in protective custody may be threatened with harm.
- 5. Before taking a child for placement in protective custody, the person taking the child shall show his or her identification to any person who is responsible for the child and is present at the time the child is taken. If a person who is responsible for the child is not present at the time the child is taken, the person taking the child shall show his or her identification to any other person upon request. The identification required by this subsection must be a single card that contains a photograph of the person taking the child and identifies the person as a person authorized pursuant to this section to place a child in protective custody.
- 6. A child placed in protective custody pending an investigation and a hearing held pursuant to NRS 432B.470 must be placed, except as otherwise provided in NRS 432B.3905, in the following order of priority:
 - (a) In a hospital, if the child needs hospitalization.
- (b) With a person who is related within the fifth degree of consanguinity or a fictive kin, and who is suitable and able to provide proper care and guidance for the child, regardless of whether the relative or fictive kin resides within this State.
 - (c) In a foster home that is licensed pursuant to chapter 424 of NRS.
 - (d) In any other licensed shelter that provides care to such children.

- 7. Whenever possible, a child placed pursuant to subsection 6 must be placed together with any siblings of the child. Such a child must not be placed in a jail or other place for detention, incarceration or residential care of persons convicted of a crime or children charged with delinquent acts.
- 8. A person placing a child in protective custody pursuant to subsection 1 shall:
- (a) Immediately take steps to protect all other children remaining in the home or facility, if necessary;
- (b) Immediately make a reasonable effort to inform the person responsible for the child's welfare that the child has been placed in protective custody; and
- (c) As soon as practicable, inform the agency which provides child welfare services and the appropriate law enforcement agency, except that if the placement violates the provisions of NRS 432B.3905, the person shall immediately provide such notification.
- 9. If a child is placed with any person who resides outside this State, the placement must be in accordance with NRS 127.330.
- 10. As used in this section, "fictive kin" means a person who is not related by blood to a child but who has a significant emotional and positive relationship with the child.
 - **Sec. 5.** NRS 432B.410 is hereby amended to read as follows:
- 432B.410 1. Except if the child involved is subject to the jurisdiction of an Indian tribe pursuant to the Indian Child Welfare Act, the court has exclusive original jurisdiction in proceedings concerning any child *domiciled*, living or found within the county who is a child in need of protection or may be a child in need of protection.
- 2. Action taken by the court because of the abuse or neglect of a child does not preclude the prosecution and conviction of any person for violation of NRS 200.508 based on the same facts.
 - **Sec. 6.** NRS 432B.457 is hereby amended to read as follows:
- 432B.457 1. If , upon the initiative of the court or a special master appointed pursuant to NRS 432B.455 or the motion of a party, the court or [a] special master [appointed pursuant to NRS 432B.455] finds that a person has a special interest in a child, the court or [the] special master shall:
- (a) Except for good cause, ensure that the person is involved in and notified of any plan for the temporary or permanent placement of the child and is allowed to offer recommendations regarding the plan; and
- (b) Allow the person to testify at any hearing held pursuant to this chapter to determine any temporary or permanent placement of the child.
- 2. A finding that a person has a special interest in a child pursuant to subsection 1 may be reviewed or modified at any time by the court or special master.
- 3. For the purposes of this section, a person "has a special interest in a child" if:
 - (a) The person is:
 - (1) A parent or other relative of the child;

- (2) A foster parent or other provider of substitute care for the child;
- (3) A provider of care for the medical or mental health of the child;
- (4) An educational decision maker appointed for the child pursuant to NRS 432B.462; or
- (5) A teacher or other school official who works directly with the child; and
 - (b) The person:
 - (1) Has a personal interest in the well-being of the child; or
- (2) Possesses information that is relevant to the determination of the placement of the child.
 - **Sec. 7.** NRS 432B.470 is hereby amended to read as follows:
- 432B.470 1. A child [taken into] placed in protective custody pursuant to NRS 432B.390 must be given a hearing, conducted by a judge, master or special master appointed by the judge for that particular hearing, within 72 hours, excluding Saturdays, Sundays and holidays, after being [taken into] placed in protective custody, to determine whether the child should remain in protective custody pending further action by the court.
- 2. Except as otherwise provided in this subsection, notice of the time and place of the hearing must be given to a parent or other person responsible for the child's welfare:
 - (a) By personal service of a written notice;
- (b) Orally $\frac{1}{1+1}$, with a written notice mailed to the last known address of the parent or other person responsible for the child's welfare within 24 hours after the child is placed in protective custody; or
- (c) If the parent or other person responsible for the child's welfare cannot be located [after a reasonable effort, by posting a written notice on the door of the residence of the parent or other person.] for personal or oral service, by mailing a written notice to the last known address of the parent or other person responsible for the child's welfare within 24 hours after the child is placed in protective custody.
- → If the child was delivered to a provider of emergency services pursuant to NRS 432B.630, the parent who delivered the child to the provider shall be deemed to have waived any right to notice of the hearing conducted pursuant to this section.
- 3. If [notice is given by means of paragraph (b) or (c) of subsection 2, a copy of the notice must be mailed to the person at the last known address of the person within 24 hours after the child is placed in protective custody.] the parent or other person responsible for the child's welfare cannot be located for personal or oral notice and the last known address of the parent or other person responsible for the child's welfare cannot be ascertained, reasonable efforts must be made to locate and notify the parent or other person responsible for the child's welfare as soon as possible.
- 4. Actual notice of the hearing or appearance at the hearing shall be deemed to satisfy the requirements relating to notice set forth in this section.

- **Sec. 8.** NRS 432B.510 is hereby amended to read as follows:
- 432B.510 1. A petition alleging that a child is in need of protection may be signed only by:
 - (a) A representative of an agency which provides child welfare services;
 - (b) A law enforcement officer or probation officer; or
 - (c) The district attorney [.] or the Attorney General.
- 2. The district attorney shall countersign every petition alleging need of protection, *other than a petition signed by the Attorney General*, and shall represent the interests of the public in all proceedings. If the district attorney fails or refuses to countersign the petition, the petitioner may seek a review by the Attorney General. If the Attorney General determines that a petition should be filed, the Attorney General shall countersign the petition and shall represent the interests of the public in all subsequent proceedings.
- 3. Every petition must be entitled "In the Matter of....., a child," and must be verified by the person who signs it.
 - 4. Every petition must set forth specifically:
- (a) The facts which bring the child within the jurisdiction of the court as indicated in NRS 432B.410.
- (b) The name, date of birth and address of the primary residence of the child at the time of removal.
- (c) The names and addresses of the residences of the child's parents and any other person responsible for the child's welfare, and spouse if any. If the parents or other person responsible for the welfare of the child do not reside in this State or cannot be found within the State, or if their addresses are unknown, the petition must state the name of any known adult relative residing within the State or, if there is none, the known adult relative residing nearest to the court.
 - (d) Whether the child is in protective custody and, if so:
- (1) The agency responsible for placing the child in protective custody and the reasons therefor; and
- (2) Whether the child has been placed in a home or facility in compliance with the provisions of NRS 432B.3905. If the placement does not comply with the provisions of NRS 432B.3905, the petition must include a plan for transferring the child to a placement which complies with the provisions of NRS 432B.3905.
- 5. When any of the facts required by subsection 4 are not known, the petition must so state.
 - **Sec. 9.** NRS 432B.515 is hereby amended to read as follows:
- 432B.515 1. A court clerk may allow any of the following documents to be filed electronically:
- (a) A petition signed by the district attorney *or the Attorney General* pursuant to NRS 432B.510; or
 - (b) A report prepared pursuant to NRS 432B.540.
- 2. Any document that is filed electronically pursuant to this section must contain an image of the signature of the person who is filing the document.

- **Sec. 10.** NRS 432B.530 is hereby amended to read as follows:
- 432B.530 1. An adjudicatory hearing must be held within 30 days after the filing of the petition, unless good cause is shown or the hearing has been continued until a later date pursuant to NRS 432B.513.
- 2. At the hearing, the court shall inform the parties of the specific allegations in the petition and give them an opportunity to admit or deny them. If the allegations are denied, the court shall hear evidence on the petition.
- 3. In adjudicatory hearings, all relevant and material evidence helpful in determining the questions presented, including oral and written reports, may be received by the court and may be relied upon to the extent of its probative value. The parties or their attorney must be afforded an opportunity to examine and controvert written reports so received and to {cross examine} examine individuals making reports when reasonably available.
 - 4. The court may require the child to be present in court at the hearing.
- 5. If the court finds by a preponderance of the evidence that the child was in need of protection at the time of the removal of the child from the home [1], or, if the child was not removed from the home, at the time of the completion of the investigation by the agency which provides child welfare services, it shall record its findings of fact and may proceed immediately or at another hearing held within 15 working days, to make a proper disposition of the case. If the court finds that the allegations in the petition have not been established, it shall dismiss the petition and, if the child is in protective custody, order the immediate release of the child.
- 6. The findings of fact recorded by the court pursuant to subsection 5 and any specific allegations in the petition admitted to by the parties must be included as part of the disposition of the case in the report required to be made to the Central Registry pursuant to NRS 432B.310.
 - **Sec. 11.** NRS 432B.580 is hereby amended to read as follows:
- 432B.580 1. Except as otherwise provided in this section and NRS 432B.513, if a child is placed pursuant to NRS 432B.550 other than with a parent, the placement must be reviewed by the court at least semiannually, and within 90 days after a request by a party to any of the prior proceedings. Unless the parent, guardian or the custodian objects to the referral, the court may enter an order directing that the placement be reviewed by a panel appointed pursuant to NRS 432B.585.
- 2. An agency acting as the custodian of the child shall, before any hearing for review of the placement of a child, submit a report to the court, or to the panel if it has been designated to review the matter, which includes:
- (a) An evaluation of the progress of the child and the family of the child and any recommendations for further supervision, treatment or rehabilitation.
- (b) Information concerning the placement of the child in relation to the child's siblings, including, without limitation:
 - (1) Whether the child was placed together with the siblings;
- (2) Any efforts made by the agency to have the child placed together with the siblings;

- (3) Any actions taken by the agency to ensure that the child has contact with the siblings; and
 - (4) If the child is not placed together with the siblings:
- (I) The reasons why the child is not placed together with the siblings; and
- (II) A plan for the child to visit the siblings, which must be presented at the first hearing to occur after the siblings are separated and approved by the court. The plan for visitation must be updated as necessary to reflect any change in the placement of the child or a sibling, including, without limitation, any such change that occurs after the termination of parental rights to the child or a sibling or the adoption of a sibling.
 - (c) Information concerning the child's education, including:
- (1) A copy of any academic plan or individual graduation plan developed for the child pursuant to NRS 388.155, 388.165, 388.205 or 388.227;
 - (2) The grade and school in which the child is enrolled;
- (3) The name of each school the child attended before enrolling in the school in which he or she is currently enrolled and the corresponding dates of attendance;
- (4) Whether the child has not completed or passed any course of instruction that the child should have completed or passed by the time the report is submitted, which has resulted in the child having a deficiency in credits:
- (5) A copy of any individualized education program developed for the child:
- (6) A copy of any plan developed in accordance with section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794;
 - (7) A summary of any special education services received by the child;
 - (8) A copy of the most recent report card of the child;
- (9) A statement of the number of credits earned by the child during the most recent semester, if applicable;
- (10) A statement of the number of times the child has been absent from school during the current or most recent school year for which the child was enrolled in school;
- (11) The scores the child received on any academic assessments or standardized examinations administered to the child;
- (12) Any information provided by the educational decision maker appointed for the child pursuant to NRS 432B.462; and
- (13) Whether a request that the child receive special education services has been made and, if so, the outcome of such a request.
- (d) A copy of any explanations regarding medication that has been prescribed for the child that have been submitted by a foster home pursuant to NRS 424.0383.
- 3. Except as otherwise provided in this subsection, a copy of the report submitted pursuant to subsection 2 must be given to the parents, the guardian ad litem and the attorney, if any, representing the parent or the child. If the

child was delivered to a provider of emergency services pursuant to NRS 432B.630 and the parent has not appeared in the action, the report need not be sent to that parent.

- 4. After a plan for visitation between a child and the siblings of the child submitted pursuant to subparagraph (4) of paragraph (b) of subsection 2 has been approved by the court, the agency which provides child welfare services must request the court to issue an order requiring the visitation set forth in the plan for visitation. Upon the issuance of such an order, the court shall provide each sibling of the child with the case number of the proceeding for the purpose of allowing the sibling to petition the court for visitation or enforcement of the order for visitation. If a person refuses to comply with or disobeys an order issued pursuant to this subsection, the person may be punished as for a contempt of court.
- 5. The court or the panel shall hold a hearing to review the placement, unless the parent, guardian or custodian files a motion with the court to dispense with the hearing. If the motion is granted, the court or panel may make its determination from any report, statement or other information submitted to it.
- 6. Except as otherwise provided in subsection 7 and subsection 5 of NRS 432B.520, notice of the hearing *must be filed with the court and* must be given by [registered or certified] first-class mail or any other means agreed upon in writing between the agency which provides child welfare services and the recipient of the notice to:
 - (a) All the parties to any of the prior proceedings;
 - (b) Any persons planning to adopt the child;
- (c) A sibling of the child, if known, who has been granted a right to visitation of the child pursuant to this section or NRS 127.171 and his or her attorney, if any;
- (d) Any other relatives of the child or providers of foster care who are currently providing care to the child; and
- (e) The educational decision maker appointed for the child pursuant to NRS 432B.462.
- 7. The notice of the hearing required to be *filed and* given pursuant to subsection 6:
- (a) Must include a statement indicating that if the child is placed for adoption the right to visitation of the child is subject to the provisions of NRS 127.171;
- (b) Must not include any confidential information described in NRS 127.140;
- (c) Need not be given to a parent whose rights have been terminated pursuant to chapter 128 of NRS or who has voluntarily relinquished the child for adoption pursuant to NRS 127.040; and
- (d) Need not be given to a parent who delivered a child to a provider of emergency services pursuant to NRS 432B.630.

- 8. The court or panel may require the presence of the child at the hearing and shall provide to each person to whom notice was given pursuant to subsection 6 a right to be heard at the hearing.
- 9. The court or panel shall [review:], after considering the report provided in subsection 2 and any other relevant evidence, determine based on a preponderance of the evidence:
 - (a) The continuing necessity for and appropriateness of the placement;
- (b) The extent of compliance with the plan submitted pursuant to subsection 2 of NRS 432B.540;
- (c) Any progress which has been made in alleviating the problem which resulted in the placement of the child;
- (d) The date the child may be returned to, and safely maintained in, the home or placed for adoption or under a legal guardianship; and
- (e) [The information described in paragraph (c) of subsection 2 to determine whether] Whether the child is making adequate academic progress and receiving the educational services or supports necessary to ensure the academic success of the child.
- 10. The provision of notice and a right to be heard pursuant to this section does not cause any person planning to adopt the child, any sibling of the child or any other relative, any adoptive parent of a sibling of the child or a provider of foster care to become a party to the hearing.
- 11. As used in this section, "individualized education program" has the meaning ascribed to it in 20 U.S.C. § 1414(d)(1)(A).
 - Sec. 12. NRS 432B.590 is hereby amended to read as follows:
- 432B.590 1. Except as otherwise provided in subsection 2 and NRS 432B.513, the court shall hold a hearing concerning the permanent placement of a child:
- (a) Not later than 12 months after the initial removal of the child from the home of the child and annually thereafter.
- (b) Within 30 days after making any of the findings set forth in subsection 3 of NRS 432B.393.
- → Notice of this hearing must be filed with the court and must be given by [registered or certified] first-class mail or any other means agreed upon in writing between the agency which provides child welfare services and the recipient of the notice to all the persons to whom notice must be given pursuant to subsection 6 of NRS 432B.580.
- 2. A parent who delivered a child to a provider of emergency services pursuant to NRS 432B.630 shall be deemed to have waived any right to notice pursuant to this section.
- 3. The court may require the presence of the child at the hearing and shall provide to each person to whom notice was given pursuant to subsection 1 a right to be heard at the hearing.
- 4. At the hearing, the court shall review the report submitted by the agency which provides child welfare services pursuant to subsection 2 of NRS 432B.580, any plan for the permanent placement of the child adopted

pursuant to NRS 432B.553 and any other relevant evidence and, if the goal of the plan is a permanent living arrangement other than reunification with his or her parents, placement for adoption, placement with a legal guardian or placement with a relative, ask the child about his or her desired permanent living arrangement. After doing so, the court must determine [:], based on a preponderance of the evidence:

- (a) Whether the agency with legal custody of the child has made the reasonable efforts required by subsection 1 of NRS 432B.553;
 - (b) Whether, and if applicable when:
- (1) The child should be returned to the parents of the child or placed with other relatives;
 - (2) It is in the best interests of the child to:
- (I) Initiate proceedings to terminate parental rights pursuant to chapter 128 of NRS so that the child can be placed for adoption;
- (II) Initiate proceedings to establish a guardianship pursuant to chapter 159A of NRS; or
- (III) Establish a guardianship in accordance with NRS 432B.466 to 432B.468, inclusive; or
- (3) The agency with legal custody of the child has produced documentation of its conclusion that there is a compelling reason for the placement of a child who has attained the age of 16 years in another permanent living arrangement;
- (c) If the child will not be returned to the parents of the child, whether the agency with legal custody of the child fully considered placement options both within and outside of this State;
- (d) If the child has attained the age of 14 years, whether the child will receive the services needed to assist the child in transitioning to independent living; and
- (e) If the child has been placed outside of this State, whether the placement outside of this State continues to be appropriate for and in the best interests of the child.
- 5. The court shall prepare an explicit statement of the facts upon which each of its determinations is based pursuant to subsection 4. If the court determines that it is not in the best interests of the child to be returned to his or her parents, or to be placed for adoption, with a legal guardian or with a relative, the court must include compelling reasons for this determination and an explanation of those reasons in its statement of the facts.
- 6. If the court determines that it is in the best interests of the child to terminate parental rights, the court shall use its best efforts to ensure that the procedures required by chapter 128 of NRS are completed within 6 months after the date the court makes that determination, including, without limitation, appointing a private attorney to expedite the completion of the procedures.
- 7. The provisions of this section do not limit the jurisdiction of the court to review any decisions of the agency with legal custody of the child regarding the permanent placement of the child.

- 8. If a child has been placed outside of the home and has resided outside of the home pursuant to that placement for 14 months of any 20 consecutive months, the best interests of the child must be presumed to be served by the termination of parental rights.
- 9. This hearing may take the place of the hearing for review required by NRS 432B.580.
- 10. The provision of notice and a right to be heard pursuant to this section does not cause any person planning to adopt the child, any sibling of the child or any other relative, any adoptive parent of a sibling of the child or a provider of foster care to become a party to the hearing.

Assemblywoman Nguyen moved that the Assembly concur in the Senate Amendment No. 511 to Assembly Bill No. 426.

Remarks by Assemblywoman Nguyen.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 374.

The following Senate amendment was read:

Amendment No. 583.

AN ACT relating to substance use disorders; creating the Statewide Substance Use Response Working Group; requiring the Working Group to review certain issues relating to substance misuse and substance use disorders; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Division of Public and Behavioral Health of the Department of Health and Human Services to formulate a comprehensive state plan for programs for alcohol and other substance use disorders. (NRS 458.025) **Section 6** of this bill creates the Statewide Substance Use Response Working Group within the Office of the Attorney General, and section 7 of this bill prescribes requirements for the operation of the Working Group. **Section 10** of this bill requires the Working Group to comprehensively review various aspects of substance misuse and substance use disorders and programs and activities to combat substance misuse and substance use disorders in this State. Section 10.5 of this bill requires the Department of Health and Human Services to annually report to the Working Group concerning the use of state and local money to address substance misuse and substance use disorders, and section 10 requires the Working Group to study, evaluate and make recommendations concerning the use of that money. Section 10 also requires the Working Group to submit annually a report of its recommendations to the Governor, the Attorney General, the Legislature and certain other entities.

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

- **Section 1.** Chapter 458 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 10.5, inclusive, of this act.
 - Sec. 2. (Deleted by amendment.)
 - Sec. 3. (Deleted by amendment.)
 - **Sec. 4.** (Deleted by amendment.)
- Sec. 5. As used in sections 5 to 10.5, inclusive, of this act, unless the context otherwise requires, "Working Group" means the Statewide Substance Use Response Working Group created by section 6 of this act.
- Sec. 6. 1. The Statewide Substance Use Response Working Group is hereby created in the Office of the Attorney General.
 - 2. The Working Group consists of the following members:
 - (a) The Attorney General or his or her designee;
- (b) The Director of the Department of Health and Human Services, or his or her designee;
- (c) One member of the Senate who is appointed by the Senate Majority Leader;
- (d) One member of the Senate who is appointed by the Senate Minority Leader;
- (e) One member of the Assembly who is appointed by the Speaker of the Assembly;
- (f) One member of the Assembly who is appointed by the Assembly Minority Leader; and
 - (g) The following members, appointed by the Attorney General:
- (1) One representative of a local governmental entity that provides or oversees the provision of human services in a county whose population is 700,000 or more;
- (2) One representative of a local governmental entity that provides or oversees the provision of human services in a county whose population is 100,000 or more but less than 700,000;
- (3) One representative of a local governmental entity that provides or oversees the provision of human services in a county whose population is less than 100,000;
- (4) One provider of health care with expertise in medicine for the treatment of substance use disorders;
- (5) One representative of the Nevada Sheriffs' and Chiefs' Association, or its successor organization;
- (6) One advocate for persons who have substance use disorders and family members of such persons;
 - (7) One person who is in recovery from a substance use disorder;
- (8) One person who provides services relating to the treatment of substance use disorders;
- (9) One representative of a substance use disorder prevention coalition; [and]
- (10) One representative of a program to reduce the harm caused by substance misuse; [.]

(11) One representative of a hospital; and

(12) One representative of a school district.

- 3. After the initial terms, members of the Working Group serve terms of 2 years and serve at the pleasure of the appointing authority. Members may be reappointed for additional terms of 2 years in the same manner as the original appointments.
- 4. If a vacancy occurs during a member's term, the appointing authority shall appoint a replacement for the remainder of the unexpired term. A vacancy must be filled in the same manner as the original appointment.
- 5. Members of the Working Group serve without compensation and are not entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 6. A member of the Working Group who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Working Group and perform any work necessary to carry out the duties of the Working Group 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 Working Group to:
- (a) Make up the time he or she is absent from work to carry out his or her duties as a member of the Working Group; or
 - (b) Take annual leave or compensatory time for the absence.
- 7. As used in this section, "substance use disorder prevention coalition" means a coalition of persons and entities who possess knowledge and experience related to the prevention of substance misuse and substance use disorders in a region of this State.
- Sec. 7. 1. At the first meeting of each calendar year, the Working Group shall elect from its members a Chair and a Vice Chair.
- 2. The Working Group shall meet at the call of the Chair or a majority of its members.
- 3. A majority of the members of the Working Group constitutes a quorum for the transaction of business, and a majority of a quorum present at any meeting is sufficient for any official action taken by the Working Group.
 - Sec. 8. (Deleted by amendment.)
 - Sec. 9. (Deleted by amendment.)
 - Sec. 10. 1. The Working Group shall:
- (a) Leverage and expand efforts by state and local governmental entities to reduce the use of substances which are associated with substance use disorders, including, without limitation, heroin, other synthetic and non-synthetic opioids and stimulants, and identify ways to enhance those efforts through coordination and collaboration.
- (b) Assess evidence-based strategies for preventing substance use and intervening to stop substance use, including, without limitation, the use of

heroin, other synthetic and non-synthetic opioids and stimulants. Such strategies must include, without limitation, strategies to:

- (1) Help persons at risk of a substance use disorder avoid developing a substance use disorder;
- (2) Discover potentially problematic substance use in a person and intervene before the person develops a substance use disorder;
- (3) Treat the medical consequences of a substance use disorder in a person and facilitate the treatment of the substance use disorder to minimize further harm; and
- (4) Reduce the harm caused by substance use, including, without limitation, by preventing overdoses.
- (c) Assess and evaluate existing pathways to treatment and recovery for persons with substance use disorders, including, without limitation, such persons who are members of special populations.
- (d) Work to understand how residents of this State who are involved in the criminal justice system access supports for treatment of and recovery from substance use disorders at various points, including, without limitation, by reviewing existing diversion, deflection and reentry programs for such persons.
- (e) Evaluate ways to improve and expand evidence-based or evidence-informed programs, procedures and strategies to treat and support recovery from opioid use disorder and any co-occurring substance use disorder, including, without limitation, among members of special populations.
- (f) Examine support systems and programs for persons who are in recovery from opioid use disorder and any co-occurring substance use disorder.
- (g) Make recommendations to entities including, without limitation, the State Board of Pharmacy, professional licensing boards that license practitioners, other than veterinarians, the State Board of Health, the Division, the Governor and the Legislature, to ensure that controlled substances are appropriately prescribed in accordance with the provisions of NRS 639.2391 to 639.23916, inclusive.
- (h) Examine qualitative and quantitative data to understand the risk factors that contribute to substance use and the rates of substance use and substance use disorders, focusing on special populations.
- (i) Develop strategies for local, state and federal law enforcement and public health agencies to respond to and prevent overdoses and plans for implementing those strategies.
 - (j) Study the efficacy and expand the implementation of programs to:
- (1) Educate youth and families about the effects of substance use and substance use disorders; and
- (2) Reduce the harms associated with substance use and substance use disorders while referring persons with substance use disorders to evidence-based treatment.

- (k) Recommend strategies to improve coordination between local, state and federal law enforcement and public health agencies to enhance the communication of timely and relevant information relating to substance use and reduce duplicative data collection and research.
- (1) Evaluate current systems for sharing information between agencies regarding the trafficking and distribution of legal and illegal substances which are associated with substance use disorders, including, without limitation, heroin, other synthetic and non-synthetic opioids and stimulants.
- (m) Study the effects of substance use disorders on the criminal justice system, including, without limitation, law enforcement agencies and correctional institutions.
- (n) Study the sources and manufacturers of substances which are associated with substance use disorders, including, without limitation, heroin, other synthetic and non-synthetic opioids and stimulants, and methods and resources for preventing the manufacture, trafficking and sale of such substances.
- (o) Study the effectiveness of criminal and civil penalties at preventing the misuse of substances and substance use disorders and the manufacture, trafficking and sale of substances which are associated with substance use disorders, including, without limitation, heroin, other synthetic and non-synthetic opioids and stimulants.
- (p) Evaluate the effects of substance use disorders on the economy of this State.
- (q) Study, evaluate and make recommendations to the Department of Health and Human Services concerning the use of the money described in section 10.5 of this act to address substance use disorders, with a focus on:
- (1) The use of the money described in subsections 1, 2 and 3 of section 10.5 of this act to supplement rather than supplant existing state or local spending;
- (2) The use of the money described in section 10.5 of this act to support programs that use evidence-based interventions;
- (3) The use of the money described in section 10.5 of this act to support programs for the prevention of substance use disorders in youth;
- (4) The use of the money described in section 10.5 of this act to improve racial equity; and
- (5) Reporting by state and local agencies to the public concerning the funding of programs to address substance misuse and substance use disorders.
 - 2. On or before January 31 of each year, the Working Group shall:
- (a) Compile a report which includes, without limitation, recommendations for the establishment, maintenance, expansion or improvement of programs to address substance misuse and substance use disorders based on the evaluations conducted pursuant to subsection 1; and
- (b) Submit the report to the Governor, the Attorney General, the Advisory Commission on the Administration of Justice, any other entities deemed

appropriate by the Attorney General and the Director of the Legislative Counsel Bureau for transmittal to:

- (1) During an even-numbered year, the Legislative Committee on Health Care and the Interim Finance Committee; or
- (2) During an odd-numbered year, the next regular session of the Legislature.
 - 3. As used in this section:
 - (a) "Practitioner" has the meaning ascribed to it in NRS 639.0125.
 - (b) "Special populations" includes, without limitation:
 - (1) Veterans, elderly persons and youth;
- (2) Persons who are incarcerated, persons who have committed nonviolent crimes primarily driven by a substance use disorder and other persons involved in the criminal justice or juvenile justice systems;
 - (3) Pregnant women and the parents of dependent children;
 - (4) Lesbian, gay, bisexual, transgender and questioning persons;
 - (5) Intravenous drug users;
 - (6) Children who are involved with the child welfare system; and
- (7) Other populations disproportionately impacted by substance use disorders.
- (c) "Substance use disorder prevention coalition" means a coalition of persons and entities who possess knowledge and experience related to the prevention of substance misuse and substance use disorders in a region of this State.
- Sec. 10.5. The Department of Health and Human Services shall annually submit to the Working Group a report concerning the use of:
- 1. All money received by this State pursuant to any settlement entered into by the State of Nevada concerning the manufacture, distribution, sale and marketing of opioids;
- 2. All money recovered by this State from a judgment in a civil action by the State of Nevada concerning the manufacture, distribution, sale and marketing of opioids;
- 3. Any gifts, grants or donations received by the State and each political subdivision of the State for purposes relating to substance misuse and substance use disorders; and
- 4. All other money spent by the State and each political subdivision of the State for purposes relating to substance misuse and substance use disorders.
 - **Sec. 11.** (Deleted by amendment.)
 - Sec. 12. (Deleted by amendment.)
 - **Sec. 12.5.** 1. As soon as practicable after the effective date of this act:
- (a) The Senate Majority Leader, Senate Minority Leader, Speaker of the Assembly and Assembly Minority Leader shall appoint to the Working Group the members described in paragraphs (c), (d), (e) and (f), respectively, of subsection 2 of section 6 of this act to initial terms that expire on January 1, 2023.

- (b) The Attorney General shall appoint to the Working Group:
- (1) The members described in subparagraphs (1) [, (2) and (3)] to (4), inclusive, of paragraph (g) of subsection 2 of section 6 of this act to initial terms that expire on January 1, 2023; and
- (2) The members described in subparagraphs [(4)] (5) to [(10),] (12), inclusive, of paragraph (g) of subsection 2 of section 6 of this act to initial terms that expire on January 1, 2024.
- 2. As used in this section, "Working Group" means the Statewide Substance Use Response Working Group created by section 6 of this act.
- **Sec. 13.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
 - **Sec. 14.** This act becomes effective upon passage and approval.

Assemblywoman Nguyen moved that the Assembly concur in the Senate Amendment No. 583 to Assembly Bill No. 374.

Remarks by Assemblywoman Nguyen.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 459.

The following Senate amendment was read:

Amendment No. 755.

AN ACT relating to workforce development; moving the Office of Workforce Innovation from the Office of the Governor to the Department of Employment, Training and Rehabilitation; <u>revising the name of the Office of Workforce Innovation</u>; providing that the Executive Director of the Office of Workforce Innovation and the State Apprenticeship Director are in the unclassified service of the State; revising provisions relating to the administration and oversight of the State Apprenticeship Council; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Office of Workforce Innovation in the Office of the Governor. (NRS 223.800) **Sections 1, 3 and 8** of this bill move the Office of Workforce Innovation from the Office of the Governor into the Department of Employment, Training and Rehabilitation. **Sections 2-7 and 15** of this bill reorganize existing provisions of law related to the Office of Workforce Innovation to account for moving the Office into the Department. **Sections 9, 10 and 13** of this bill update internal references to existing sections of law relating to the Office.

Section 3 revises the name of the Office to the Governor's Office of Workforce Innovation. Section 10.2 of this bill makes a conforming change related to renaming the Office.

Existing law provides that the Executive Director of the Office of Workforce Innovation is not in the classified or unclassified service of the State. (NRS

223.810) **Section 4** of this bill provides that the Executive Director is in the unclassified service of the State.

Under existing law, the Office of Workforce Innovation is responsible and accountable for apprenticeship in this State as this State's registration agency. (NRS 223.800) **Section 10.5** of this bill instead requires the Office of the Labor Commissioner to: (1) act as the State Apprenticeship Agency; and (2) oversee the State Apprenticeship Council and the State Apprenticeship Director. **Sections 11, 11.3, 11.7, 12.3 and 12.7** of this bill make conforming changes to existing provisions of law related to the Office of Workforce Innovation to account for the Labor Commissioner's oversight of the State Apprenticeship Council. **Section 13.5 of this bill makes conforming changes to Senate Bill No. 247 of the 81st Legislative Session to account for this change.**

Existing law requires the Governor to appoint a State Apprenticeship Director who is not in the classified or unclassified service of the State. (NRS 610.110) **Section 12** of this bill instead requires the Labor Commissioner to appoint a State Apprenticeship Director and provides that the State Apprenticeship Director is in the unclassified service of the State.

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

Section 1. 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. 2.** Chapter 232 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 6, inclusive, of this act.
- Sec. 3. The <u>Governor's Office</u> of Workforce Innovation is hereby created in the Department.
- Sec. 4. 1. The Governor shall appoint the Executive Director of the <u>Governor's</u> Office of Workforce Innovation.
- 2. The Executive Director is in the unclassified service of the State and serves at the pleasure of the Governor.
- Sec. 5. The Executive Director of the <u>Governor's</u> Office of Workforce Innovation shall:
- 1. Provide support to the Department, the Governor's Workforce Investment Board created by NRS 232.935 and the industry sector councils established by the Governor's Workforce Investment Board on matters relating to workforce development.
- 2. Work in coordination with the Office of Economic Development to establish criteria and goals for workforce development and diversification in this State.
- 3. Collect and systematize and present in biennial reports to the Governor and the Legislature such statistical details relating to workforce development in

the State as the Executive Director of the Office may deem essential to further the objectives of the Governor's Office of Workforce Innovation.

- 4. At the direction of the Director:
- (a) Identify, recommend and implement policies related to workforce development.
- (b) Define career pathways and identify priority career pathways for secondary and postsecondary education.
- (c) Discontinue career pathways offered by the State which fail to meet minimum standards of quality, rigor and cross-education alignment, or that do not demonstrate a connection to priority industry needs.
- (d) In consultation with the Governor's Workforce Investment Board, identify industry-recognized credentials, workforce development programs and education.
- (e) Maintain and oversee the statewide longitudinal data system that links data relating to early childhood education programs and K-12 public education with data relating to postsecondary education and the workforce in this State.
- (f) Collect accurate educational data in the statewide longitudinal data system for the purpose of analyzing student performance through employment to assist in improving the educational system and workforce training program in this State.
- (g) Apply for and administer grants, including, without limitation, those that may be available from funding reserved for statewide workforce investment activities.

- (h) Review the status and structure of local workforce investment areas in the State, in coordination with the Governor and the Governor's Workforce Investment Board.
- (i) Report periodically to the Governor's Workforce Investment Board concerning the administration of the policies and programs of the <u>Governor's Office of Workforce Innovation</u>.
- (j) On or before March 31 of each year, submit to the Governor a complete report of the activities, discussions, findings and recommendations of the <u>Governor's Office of Workforce Innovation</u>.
- (k) Suggest improvements regarding the allocation of federal and state money to align workforce training and related education programs in the State, including, without limitation, career and technical education.
- (l) On or before January 1 of each year, collect and analyze data as needed to create a written report for the purposes of this paragraph, and submit such a report to the Director of the Legislative Counsel Bureau. The report must include, without limitation:
- (1) Statistical data based on an analysis of the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any geographic area within this State;
- (2) The demand within this State or any geographic area within this State for the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body; and
- (3) Any other factors relating to the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety.
- → As used in this paragraph, "regulatory body" has the meaning ascribed to it in NRS 622.060.
- (m) On or before January 1 of each year, submit to the Director of the Legislative Counsel Bureau a written report that includes, without limitation, the most current data and reports produced by the statewide longitudinal data system.
- Sec. 6. The following public agencies shall submit educational and workforce data for inclusion in the statewide longitudinal data system maintained pursuant to paragraph (e) of subsection 4 of section 5 of this act:
 - 1. The Department of Employment, Training and Rehabilitation.
 - 2. The Department of Education.
 - 3. The Nevada System of Higher Education.
 - 4. The Department of Motor Vehicles.
- 5. Any other public agency which is directed by the Governor to submit such data.

- **Sec. 7.** NRS 232.900 is hereby amended to read as follows:
- 232.900 As used in NRS 232.900 to 232.960, inclusive, *and sections 3 to* 6, *inclusive*, *of this act* unless the context otherwise requires:
- 1. "Department" means the Department of Employment, Training and Rehabilitation.
 - 2. "Director" means the Director of the Department.
 - **Sec. 8.** NRS 232.910 is hereby amended to read as follows:
- 232.910 1. The Department of Employment, Training and Rehabilitation is hereby created. The purpose of the Department is to plan, coordinate and carry out various services and activities designed to achieve and support employment and economic independence for residents of this State who are disadvantaged, displaced or disabled.
 - 2. The Department consists of a Director and the following divisions:
 - (a) Employment Security Division;
 - (b) Rehabilitation Division; and
 - (c) Such other divisions as the Director may establish.
- 3. The <u>Governor's Office of Workforce Innovation</u>, Nevada Equal Rights Commission and the Board for the Education and Counseling of Displaced Homemakers are within the Department.
 - **Sec. 9.** NRS 400.027 is hereby amended to read as follows:
- 400.027 1. The P-20W Research Data System Advisory Committee is hereby created to assist in the coordination and management of the statewide longitudinal data system administered by the <u>Governor's</u> Office of Workforce Innovation pursuant to <u>INRS 223.820.</u> section 5 of this act. The Chancellor of the System, the Superintendent of Public Instruction and the Director of the Department of Employment, Training and Rehabilitation or their designees serve as ex officio members of the Committee.
- 2. The Committee may, by a vote of the majority of the Committee, nominate additional members for consideration by the Governor to be appointed to the Committee. The Governor may appoint a nominee to the Committee if the Governor determines that the addition of the nominee to the Committee is necessary or desirable.
- 3. Each appointed member of the Committee serves a term of 3 years and may be reappointed.
- 4. The Governor shall call the first meeting of the Committee. At its first meeting and annually thereafter, the members of the Committee shall elect a Chair and a Vice Chair from among the members of the Committee.
- 5. The Committee shall meet at least once each calendar year and, after its first meeting, at the call of the Chair.
- 6. The <u>Governor's</u> Office of Workforce Innovation shall provide any administrative support necessary for the Committee to carry out its duties.
 - **Sec. 10.** NRS 400.037 is hereby amended to read as follows:
 - 400.037 1. The Committee shall:

- (a) Support and advise the Executive Director of the <u>Governor's</u> Office of Workforce Innovation regarding the maintenance and oversight of the statewide longitudinal data system;
- (b) Develop a plan for collaborative research using data from the statewide longitudinal data system; and
- (c) Advise and assist the System, the Department of Education, the <u>Governor's</u> Office of Workforce Innovation and the Department of Employment, Training and Rehabilitation in:
- (1) Applying for and obtaining grants of money for the operation of the statewide longitudinal data system or to carry out the work of the Committee;
- (2) Budgeting for the operation of the statewide longitudinal data system or to carry out the work of the Committee;
- (3) Proposing legislation relating to the statewide longitudinal data system or to carry out the work of the Committee; and
- (4) Matters relating to any contract for any services necessary for the operation or utilization of the statewide longitudinal data system or to carry out the work of the Committee.
- 2. As used in this section, "statewide longitudinal data system" means the system administered by the <u>Governor's</u> Office of Workforce Innovation pursuant to [NRS 223.820.] section 5 of this act.

Sec. 10.2. NRS 400.045 is hereby amended to read as follows:

400.045 On or before June 30 of each even-numbered year, the Committee shall:

- 1. Prepare and post a written report of its activities and any recommendations on the Internet website maintained by the *Governor's* Office of Workforce Innovation; and
- 2. Submit a copy of the written report prepared pursuant to subsection 1 to the:
- (a) Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature; and
 - (b) Governor.
- **Sec. 10.5.** Chapter 607 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Office of the Labor Commissioner shall act as the State Apprenticeship Agency as defined in 29 C.F.R. § 29.2 and has responsibility and accountability for apprenticeship in this State.
- 2. The Labor Commissioner shall oversee the State Apprenticeship Council and the State Apprenticeship Director pursuant to NRS 610.110 to 610.185, inclusive, and perform such other functions as may be deemed necessary to carry out the intent and purposes of chapter 610 of NRS.
 - **Sec. 11.** NRS 610.010 is hereby amended to read as follows:
 - 610.010 As used in this chapter, unless the context otherwise requires:
- 1. "Agreement" means a written and signed agreement of indenture as an apprentice.

- 2. "Apprentice" means a person who is covered by a written agreement, issued pursuant to a program with an employer, or with an association of employers or an organization of employees acting as agent for an employer.
- 3. "Council" means the State Apprenticeship Council created by NRS 610.030.
 - 4. "Disability" means, with respect to a person:
- (a) A physical or mental impairment that substantially limits one or more of the major life activities of the person;
 - (b) A record of such an impairment; or
 - (c) Being regarded as having such an impairment.
- 5. <u>["Executive Director" means the Executive Director of the Office of Workforce Innovation.</u>
- -6.] "Gender identity or expression" means a gender-related identity, appearance, expression or behavior of a person, regardless of the person's assigned sex at birth.
- [7. "Office of Workforce Innovation" means the Office of Workforce Innovation in the Office of the Governor created by NRS 223.800.
- -8.1 6. "Program" means a program of training and instruction as an apprentice in an occupation in which a person may be apprenticed.
- [9.] 7. "Sexual orientation" means having or being perceived as having an orientation for heterosexuality, homosexuality or bisexuality.
- [10.] 8. "State Apprenticeship Director" means the person appointed pursuant to NRS 610.110.
 - **Sec. 11.3.** NRS 610.030 is hereby amended to read as follows:
- 610.030 There is hereby created the State Apprenticeship Council composed of:
- 1. The following voting members, appointed by the Governor upon recommendation of the [Executive Director of the Office of Workforce Innovation:] Labor Commissioner:
- (a) Two members who represent management and have, or have had, a defined role in a jointly administered apprenticeship program, one of whom must be from northern Nevada and one of whom must be from southern Nevada.
- (b) Two members who represent labor and have, or have had, a defined role in a jointly administered apprenticeship program, one of whom must be from northern Nevada and one of whom must be from southern Nevada.
- (c) Two members, one who represents management and one who represents labor, who have, or have had, a defined role or job in a statewide, jointly administered apprenticeship program.
 - (d) One member who is a representative of the general public.
 - 2. The following nonvoting members:
- (a) The Executive Director of the Office of Economic Development or his or her designee.
 - (b) The Superintendent of Public Instruction or his or her designee.

- (c) One representative of a community college located in a county whose population is 700,000 or more, appointed by the Chancellor of the Nevada System of Higher Education.
- (d) One representative of a community college located in a county whose population is less than 700,000, appointed by the Chancellor of the Nevada System of Higher Education.
 - **Sec. 11.7.** NRS 610.070 is hereby amended to read as follows:
- 610.070 1. The Executive Director of the Office of Workforce Innovation Labor Commissioner shall select from the membership of the Council a Chair and Vice Chair, who shall hold office for 2 years. Notwithstanding the provisions of NRS 610.030, the Chair, or the Vice Chair in the absence of the Chair, is not entitled to a vote except to break a tie.
- 2. The State Apprenticeship Director shall serve as the nonvoting Secretary of the Council.
- 3. The Council may prescribe such bylaws as it deems necessary for its operation.
- 4. The Council shall meet at least once in each calendar quarter at a time and place specified by the call of the Chair, the State Apprenticeship Director, the <code>[Executive Director] Labor Commissioner</code> or a majority of the members of the Council. Special meetings of the Council may be held at the call of the Chair, the State Apprenticeship Director, the <code>[Executive Director] Labor Commissioner</code> or a majority of the members of the Council at such additional times as they deem necessary.
- 5. The Chair, or the Vice Chair in the absence of the Chair, and four voting members of the Council constitutes a quorum, and a quorum may exercise any power or authority conferred on the Council.
 - **Sec. 12.** NRS 610.110 is hereby amended to read as follows:
- 610.110 1. The [Governor] Labor Commissioner shall appoint a State Apprenticeship Director.
 - 2. The State Apprenticeship Director:
 - (a) Shall report to the [Executive Director.] Labor Commissioner.
- (b) Is {not} in the {classified or} unclassified service of the State and serves at the pleasure of the {Governor.} Labor Commissioner.
- (c) Must have responsible administrative experience in public or business administration or must possess broad management skills in areas related to the functions of this chapter.
- (d) Must have the demonstrated ability to administer a major public agency in the field of workforce development, and must possess the following skills and attributes:
- (1) A comprehensive knowledge of administrative principles and a working knowledge of broad principles relating to subject matters under his or her administrative direction.
- (2) The administrative ability to assess the adequacy of agency operations and the protection of the public interest as related to the subject fields.

- (3) An ability to organize and present oral and written communication to the Governor, the Legislature and other pertinent officials or persons.
- (4) A background which demonstrates that he or she can impartially serve the interests of both employees and employers.
- (e) Must not, at the time of appointment or at any time during his or her term of office, receive payment or compensation as the officer of any labor organization or have a pecuniary interest in any labor organization.
 - Sec. 12.3. NRS 610.120 is hereby amended to read as follows:
- 610.120 1. [The] Under the direction of the Labor Commissioner, the State Apprenticeship Director shall:
- (a) Administer the provisions of this chapter with the advice and guidance of the State Apprenticeship Council.
 - (b) Keep a record of agreements and their dispositions.
- (c) Issue certificates of completion of apprenticeship at the request of the local joint apprenticeship committee.
- (d) Promote apprenticeship programs through public engagement activities and other initiatives.
- (e) Ensure information and resources related to applications for new apprenticeship programs are made available to the public, including, without limitation, information related to technical assistance and requirements for applicants of new apprenticeship programs.
- (f) Establish and maintain an Internet website that provides information regarding apprenticeship programs to the public.
- (g) Assist the Council in identifying opportunities for linkages and coordination with the State's economic development strategies and workforce investment system that is paid for wholly or in part with public money, in accordance with 29 C.F.R. § 29.13.
- (h) Coordinate community-based outreach initiatives designed to promote apprenticeship opportunities among students, displaced workers and other persons who face barriers to entering the workforce.
- (i) Prepare budgets and compile annual reports to the Legislature [, Executive Director] and *the* Governor.
 - (j) Perform other administrative duties on behalf of the Council.
- (k) Perform such other duties as are necessary to carry out the intent and purposes of this chapter.
- 2. The administration and supervision of related and supplemental instruction for apprentices, coordination of instruction with job experiences, and the selection and training of teachers and coordinators for that instruction are the responsibility of the local joint apprenticeship committees.
- 3. As used in this section, "technical assistance" means guidance provided by the [Office of Workforce Innovation] State Apprenticeship Director to the sponsor of a proposed or existing apprenticeship program for the development, revision, amendment or processing of standards of apprenticeship or apprenticeship agreements and the provision of advice to or consultation with

such a sponsor to further compliance with the provisions of this chapter and any regulations adopted pursuant thereto.

- Sec. 12.7. NRS 610.144 is hereby amended to read as follows:
- 610.144 To be eligible for registration and approval by the Council, a proposed program must:
- 1. Be an organized, written plan embodying the terms and conditions of employment, training and supervision of one or more apprentices in an occupation in which a person may be apprenticed and be subscribed to by a sponsor who has undertaken to carry out the program.
- 2. Contain the pledge of equal opportunity prescribed in 29 C.F.R. § 30.3(c) and, when applicable:
 - (a) A plan of affirmative action in accordance with 29 C.F.R. § 30.4;
 - (b) A method of selection authorized in 29 C.F.R. § 30.10;
 - (c) A nondiscriminatory pool for application as an apprentice; or
- (d) Similar requirements expressed in a state plan for equal opportunity in employment in apprenticeships adopted pursuant to 29 C.F.R. Part 30 and approved by the United States Department of Labor.
 - 3. Contain:
- (a) Provisions concerning the employment and training of the apprentice in a skilled trade:
- (b) A term of apprenticeship of not less than 2,000 hours of work experience, consistent with training requirements as established by practice in the trade;
- (c) An outline of the processes in which the apprentice will receive supervised experience and training on the job, and the allocation of the approximate time to be spent in each major process;
- (d) Provisions for organized, related and supplemental instruction in technical subjects related to the trade with a minimum of 144 hours for each year of apprenticeship, given in a classroom or through trade, industrial or correspondence courses of equivalent value or other forms of study approved by the Council;
- (e) A progressively increasing, reasonable and profitable schedule of wages to be paid to the apprentice consistent with the skills acquired, not less than that allowed by federal or state law or regulations or by a collective bargaining agreement;
- (f) Provisions for a periodic review and evaluation of the apprentice's progress in performance on the job and related instruction and the maintenance of appropriate records of such progress;
- (g) A numeric ratio of apprentices to journeymen consistent with proper supervision, training, safety, continuity of employment and applicable provisions in collective bargaining agreements, in language that is specific and clear as to its application in terms of job sites, workforces, departments or plants;

- (h) A probationary period that is reasonable in relation to the full term of apprenticeship, with full credit given for that period toward the completion of the full term of apprenticeship;
- (i) Provisions for adequate and safe equipment and facilities for training and supervision and for the training of apprentices in safety on the job and in related instruction;
- (j) The minimum qualifications required by a sponsor for persons entering the program, with an eligible starting age of not less than 16 years;
- (k) Provisions for the placement of an apprentice under a written agreement as required by this chapter, incorporating directly or by reference the standards of the program;
- (l) Provisions for the granting of advanced standing or credit to all applicants on an equal basis for previously acquired experience, training or skills, with commensurate wages for each advanced step granted;
- (m) Provisions for the transfer of the employer's training obligation when the employer is unable to fulfill his or her obligation under the agreement to another employer under the same or a similar program with the consent of the apprentice and the local joint apprenticeship committee or sponsor of the program;
- (n) Provisions for the assurance of qualified training personnel and adequate supervision on the job;
- (o) Provisions for the issuance of an appropriate certificate evidencing the successful completion of an apprenticeship;
- (p) An identification of the Office of [Workforce Innovation] the Labor Commissioner as the agency for registration of the program;
- (q) Provisions for the registration of agreements and of modifications and amendments thereto;
- (r) Provisions for notice to the State Apprenticeship Director of persons who have successfully completed the program and of all cancellations, suspensions and terminations of agreements and the causes therefor;
- (s) Provisions for the termination of an agreement during the probationary period by either party without cause;
- (t) A statement that the program will be conducted, operated and administered in conformity with the applicable provisions of 29 C.F.R. Part 30 or a state plan for equal opportunity in employment in apprenticeships adopted pursuant to 29 C.F.R. Part 30 and approved by the United States Department of Labor;
- (u) The name and address of the appropriate authority under the program to receive, process and make disposition of complaints; and
- (v) Provisions for the recording and maintenance of all records concerning apprenticeships as may be required by the Council and applicable laws.
 - **Sec. 13.** NRS 612.265 is hereby amended to read as follows:
- 612.265 1. Except as otherwise provided in this section and NRS 239.0115, 607.217 and 612.642, information obtained from any employing unit or person pursuant to the administration of this chapter and any

determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's or employing unit's identity.

- 2. Any claimant or a legal representative of a claimant is entitled to information from the records of the Division, to the extent necessary for the proper presentation of the claimant's claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.
- 3. The Administrator may, in accordance with a cooperative agreement among all participants in the statewide longitudinal data system developed pursuant to NRS 400.037 and administered pursuant to [NRS 223.820,] section 5 of this act, make the information obtained by the Division available to:
- (a) The Board of Regents of the University of Nevada for the purpose of complying with the provisions of subsection 4 of NRS 396.531; and
- (b) The Director of the Department of Employment, Training and Rehabilitation for the purpose of complying with the provisions of paragraph (d) of subsection 1 of NRS 232.920.
- 4. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:
- (a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers' compensation or labor and industrial relations, or the maintenance of a system of public employment offices;
 - (b) Any state or local agency for the enforcement of child support;
 - (c) The Internal Revenue Service of the Department of the Treasury;
 - (d) The Department of Taxation;
- (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS; and
- (f) The Secretary of State to operate the state business portal established pursuant to chapter 75A of NRS for the purposes of verifying that data submitted via the portal has satisfied the necessary requirements established by the Division, and as necessary to maintain the technical integrity and functionality of the state business portal established pursuant to chapter 75A of NRS.
- → Information obtained in connection with the administration of the Division may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.
- 5. Upon written request made by the State Controller or a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request may be made electronically and must set forth the social security number of the person about whom the request is made and contain a statement signed by the proper

authority of the State Controller or local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation assigned to the State Controller for collection or owed to the local government, as applicable. Except as otherwise provided in NRS 239.0115, the information obtained by the State Controller or local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation assigned to the State Controller for collection or owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.

- 6. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this State. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the residents of this State, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.
- 7. Upon request therefor, the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient's rights to further benefits pursuant to this chapter.
- 8. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit a written request to the Administrator that the Administrator furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.
- 9. In addition to the provisions of subsection 6, the Administrator shall provide lists containing the names and addresses of employers, and information regarding the wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the taxes imposed

pursuant to chapters 363A, 363B and 363C of NRS. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

- 10. Upon the request of any district judge or jury commissioner of the judicial district in which the county is located, the Administrator shall, in accordance with other agreements entered into with other district courts and in compliance with 20 C.F.R. Part 603, and any other applicable federal laws and regulations governing the Division, furnish the name, address and date of birth of persons who receive benefits in any county, for use in the selection of trial jurors pursuant to NRS 6.045. The court or jury commissioner who requests the list of such persons shall reimburse the Division for the reasonable cost of providing the requested information.
- 11. The Division of Industrial Relations of the Department of Business and Industry shall periodically submit to the Administrator, from information in the index of claims established pursuant to NRS 616B.018, a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS. Upon receipt of that information, the Administrator shall compare the information so provided with the records of the Employment Security Division regarding persons claiming benefits pursuant to this chapter for the same period. The information submitted by the Division of Industrial Relations must be in a form determined by the Administrator and must contain the social security number of each such person. If it appears from the information submitted that a person is simultaneously claiming benefits under this chapter and under chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency.
- 12. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and may in connection with the request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the Internal Revenue Code of 1954.
- 13. The Administrator, any employee or other person acting on behalf of the Administrator, or any employee or other person acting on behalf of an agency or entity allowed to access information obtained from any employing unit or person in the administration of this chapter, or any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter, is guilty of a gross misdemeanor if he or she:
 - (a) Uses or permits the use of the list for any political purpose;
- (b) Uses or permits the use of the list for any purpose other than one authorized by the Administrator or by law; or
- (c) Fails to protect and prevent the unauthorized use or dissemination of information derived from the list.
- 14. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject

matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.

Sec. 13.5. Section 2 of Senate Bill No. 247 of this session is hereby amended to read as follows:

- Sec. 2. NRS 610.144 is hereby amended to read as follows:
- 610.144 *1*. To be eligible for registration and approval by the Council, a proposed program must:
- [1.] (a) Be an organized, written plan embodying the terms and conditions of employment, training and supervision of one or more apprentices in an *apprenticeable* occupation [in which a person may be apprenticed], as defined in 29 C.F.R. § 29.4, and be subscribed to by a sponsor who has undertaken to carry out the program.
 - [2.] (b) Except as otherwise provided in this paragraph, use a:
 - (1) Time-based approach, as described in 29 C.F.R. § 29.5(b)(2)(i);
- (2) Competency-based approach, as described in 29 C.F.R. § 29.5(b)(2)(ii); or
 - (3) Hybrid approach, as described in 29 C.F.R. § 29.5(b)(2)(iii).
- → A program for a construction trade must use a time-based approach.
- (c) Contain the pledge of equal opportunity prescribed in 29 C.F.R. § 30.3(c) and, when applicable:
- (a) (1) A plan of affirmative action in accordance with 29 C.F.R. § 30.4;
 - (b) (2) A method of selection authorized in 29 C.F.R. § 30.10;
 - {(e)} (3) A nondiscriminatory pool for application as an apprentice; or
- [(d)] (4) Similar requirements expressed in a state plan for equal opportunity in employment in apprenticeships adopted pursuant to 29 C.F.R. Part 30 and approved by the United States Department of Labor.
- [3.] (d) Provide for the development of skills that are intended to enable an apprentice to engage in a skilled trade generally, rather than for a particular employer or sponsor.
 - (e) Contain:
- {(a)} (1) Provisions concerning the employment and training of the apprentice in a skilled trade;
 - [(b)] (2) A term of apprenticeship *that:*
- (I) If the program uses a time-based approach, requires the completion of not less than 2,000 hours of [work experience,] on-the-job learning, consistent with training requirements as established by practice in the trade;
- {(e)} (II) If the program uses a competency-based approach, specifies the skills that must be demonstrated by an apprentice and addresses how on-the-job learning will be integrated into the program; or
- (III) If the program uses a hybrid approach, specifies the skills that must be acquired and the minimum number of hours of on-the-job learning that must be completed by an apprentice;

- (3) An outline of the processes in which the apprentice will receive supervised experience and training on the job, and the allocation of the approximate time to be spent in each major process;
- [(d)] (4) Provisions for organized, related and supplemental instruction in technical subjects related to the trade with a minimum of 144 hours for each year of apprenticeship, given in a classroom or through trade, industrial or correspondence courses of equivalent value or other forms of study approved by the Council;
- [(e)] (5) A progressively increasing, reasonable and profitable schedule of wages to be paid to the apprentice consistent with the skills acquired, not less than that allowed by federal or state law or regulations, [or] by a collective bargaining agreement [;] or by the minimum apprentice wage established by the Council;
- [(f)] (6) Provisions for a periodic review and evaluation of the apprentice's progress in performance on the job and related instruction and the maintenance of appropriate records of such progress;
- {(g)} (7) A numeric ratio of apprentices to journeymen consistent with proper supervision, training, safety, continuity of employment and applicable provisions in collective bargaining agreements, in language that is specific and clear as to its application; {in terms of job sites, workforces, departments or plants;
- —(h)] (8) A probationary period that is reasonable in relation to the full term of apprenticeship, with full credit given for that period toward the completion of the full term of apprenticeship;
- (i) (9) Provisions for adequate and safe equipment and facilities for training and supervision and for the training of apprentices in safety on the job and in related instruction;
- (i) (10) The minimum qualifications required by a sponsor for persons entering the program, with an eligible starting age of not less than 16 years;
- {(k)} (11) Provisions for the placement of an apprentice under a written agreement as required by this chapter, incorporating directly or by reference the standards of the program;
- {(1)} (12) Provisions for the granting of advanced standing or credit to all applicants on an equal basis for previously acquired experience, training or skills, with commensurate wages for each advanced step granted;
- [(m)] (13) Provisions for the transfer of the employer's training obligation when the employer is unable to fulfill his or her obligation under the agreement to another employer under the same or a similar program with the consent of the apprentice and the local joint apprenticeship committee or sponsor of the program;
- {(n)} (14) Provisions for the assurance of qualified training personnel and adequate supervision on the job;

- {(o)} (15) Provisions for the issuance of an appropriate certificate evidencing the successful completion of an apprenticeship;
- {(p)} (16) An identification of the Office of the Labor Commissioner as the agency for registration of the program;
- {(q)} (17) Provisions for the registration of agreements and of modifications and amendments thereto;
- {(r)} (18) Provisions for notice to the State Apprenticeship Director of persons who have successfully completed the program and of all cancellations, suspensions and terminations of agreements and the causes therefor:
- {(s)} (19) Provisions for the termination of an agreement during the probationary period by either party without cause;
- **[(t)]** (20) A statement that the program will be conducted, operated and administered in conformity with the applicable provisions of 29 C.F.R. Part 30 or a state plan for equal opportunity in employment in apprenticeships adopted pursuant to 29 C.F.R. Part 30 and approved by the United States Department of Labor;
- {(u)} (21) The name and address of the appropriate authority under the program to receive, process and make disposition of complaints; and
- {(v)} (22) Provisions for the recording and maintenance of all records concerning apprenticeships as may be required by the Council and applicable laws.
- 2. If a program of apprenticeship in a skilled trade is proposed by an employer or association of employers for approval and registration by the Council and the Council has previously approved and registered a program for the skilled trade, the Council shall provide a copy of the proposed program to the sponsor of the approved and registered program and hold a hearing before approving or rejecting the application. The Council shall not approve a proposed program pursuant to this subsection unless the program requires the completion of at least as many hours of on-the-job learning or the demonstration of at least the same number and quality of skills, or both, as applicable, as all existing approved and registered programs in the relevant skilled trade.
- 3. To determine whether a proposed program should be approved or rejected pursuant to subsection 2, the Council shall consider, in addition to the requirements in subsections 1 and 2, without limitation:
- (a) Relevant information concerning the approved and registered program, including, without limitation, the standards for apprenticeship of the program;
- (b) Whether the sponsor of the approved and registered program is jointly administered by labor and management;
- (c) The provisions of any applicable collective bargaining agreements;
 - (d) Dictionaries of occupational titles;

- (e) Opinions of experts provided by interested parties, including, without limitation, organized labor, licensed contractors and associations of contractors;
- (f) Recognized labor and management practices in the relevant industry;
- (g) Scope of work descriptions issued by the [Office of Workforce Innovation] Labor Commissioner and the United States Department of Labor; and
- (h) The supply of skilled workers in the trade in relation to the demand for skilled workers in the trade and the extent to which the sponsor of the approved and registered program is willing and able to provide apprentices to the proposed program.
- → The Council may condition approval of the proposed program on the payment of compensation to apprentices that is equal to or greater than the compensation provided by the approved and registered apprenticeship program.
- **Sec. 14.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
- Sec. 14.5. 1. Any administrative regulations adopted by an officer or an agency whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer or agency remain in force until amended by the officer or agency to which the responsibility for the adoption of the regulations has been transferred.
- 2. Any contracts or other agreements entered into by an officer or agency whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer or agency are binding upon the officer or agency to which the responsibility for the administration of the provisions of the contract or other agreement has been transferred. Such contracts and other agreements may be enforced by the officer or agency to which the responsibility for the enforcement of the provisions of the contract or other agreement has been transferred.
- 3. Any action taken by an officer or agency whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer or agency remains in effect as if taken by the officer or agency to which the responsibility for the enforcement of such actions has been transferred.
- **Sec. 15.** NRS 223.800, 223.810, 223.820 and 223.830 are hereby repealed.
- Sec. 16. [This] 1. This section and sections 1 to 13, inclusive, and 14, 14.5 and 15 of this act [becomes] become effective on July 1, 2021.
- 2. Section 13.5 of this act becomes effective on October 1, 2021.

TEXT OF REPEALED SECTIONS

223.800 Creation; responsibility and accountability for apprenticeship.

- 1. The Office of Workforce Innovation is hereby created in the Office of the Governor.
- 2. The Office of Workforce Innovation has responsibility and accountability for apprenticeship within this State.

223.810 Executive Director: Appointment; classification.

- 1. The Governor shall appoint the Executive Director of the Office of Workforce Innovation.
- 2. The Executive Director is not in the classified or unclassified service of the State and serves at the pleasure of the Governor.

223.820 Executive Director: Duties. The Executive Director of the Office of Workforce Innovation shall:

- 1. Provide support to the Office of the Governor, the Governor's Workforce Investment Board created by NRS 232.935 and the industry sector councils established by the Governor's Workforce Investment Board on matters relating to workforce development.
- 2. Work in coordination with the Office of Economic Development to establish criteria and goals for workforce development and diversification in this State.
- 3. Collect and systematize and present in biennial reports to the Governor and the Legislature such statistical details relating to workforce development in the State as the Executive Director of the Office may deem essential to further the objectives of the Office of Workforce Innovation.
 - 4. At the direction of the Governor:
- (a) Identify, recommend and implement policies related to workforce development.
- (b) Define career pathways and identify priority career pathways for secondary and postsecondary education.
- (c) Discontinue career pathways offered by the State which fail to meet minimum standards of quality, rigor and cross-education alignment, or that do not demonstrate a connection to priority industry needs.
- (d) In consultation with the Governor's Workforce Investment Board, identify industry-recognized credentials, workforce development programs and education.
- (e) Maintain and oversee the statewide longitudinal data system that links data relating to early childhood education programs and K-12 public education with data relating to postsecondary education and the workforce in this State.
- (f) Collect accurate educational data in the statewide longitudinal data system for the purpose of analyzing student performance through employment to assist in improving the educational system and workforce training program in this State.

- (g) Apply for and administer grants, including, without limitation, those that may be available from funding reserved for statewide workforce investment activities.
- (h) Review the status and structure of local workforce investment areas in the State, in coordination with the Governor and the Governor's Workforce Investment Board.
- (i) Report periodically to the Governor's Workforce Investment Board concerning the administration of the policies and programs of the Office of Workforce Innovation.
- (j) On or before March 31 of each year, submit to the Governor a complete report of the activities, discussions, findings and recommendations of the Office of Workforce Innovation.
- (k) Oversee the State Apprenticeship Council and the State Apprenticeship Director pursuant to NRS 610.110 to 610.185, inclusive, and perform such other functions as may be necessary for the fulfillment of the intent and purposes of chapter 610 of NRS.
- (l) Suggest improvements regarding the allocation of federal and state money to align workforce training and related education programs in the State, including, but not limited to, career and technical education.
- (m) On or before January 1 of each year, collect and analyze data as needed to create a written report for the purposes of this paragraph, and submit such a report to the Director of the Legislative Counsel Bureau. The report must include, without limitation:
- (1) Statistical data based on an analysis of the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any geographic area within this State;
- (2) The demand within this State or any geographic area within this State for the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body; and
- (3) Any other factors relating to the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety.
- → As used in this paragraph, "regulatory body" has the meaning ascribed to it in NRS 622.060.
- (n) On or before January 1 of each year, submit to the Director of the Legislative Counsel Bureau a written report that includes, without limitation, the most current data and reports produced by the statewide longitudinal data system.
- **223.830** Agencies required to submit educational and workforce data for inclusion in statewide longitudinal data system maintained by Office. The following public agencies shall submit educational and workforce data for inclusion in the statewide longitudinal data system maintained pursuant to paragraph (e) of subsection 4 of NRS 223.820:
 - 1. The Department of Employment, Training and Rehabilitation.

- 2. The Department of Education.
- 3. The Nevada System of Higher Education.
- 4. The Department of Motor Vehicles.
- 5. Any other public agency which is directed by the Governor to submit such data.

Assemblywoman Carlton moved that the Assembly concur in the Senate Amendment No. 755 to Assembly Bill No. 459.

Remarks by Assemblywoman Carlton.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 66.

The following Senate amendment was read:

Amendment No. 525.

AN ACT relating to taxation; revising requirements for agreements between the Office of Economic Development and applicants for an abatement or partial abatement of certain taxes; requiring the Department of Taxation to issue a document certifying an abatement or partial abatement of sales and use taxes to businesses for which the Office has approved certain abatements or partial abatements of sales and use taxes; authorizing a business for which the Office has approved certain abatements or partial abatements of sales and use taxes to apply for a refund of sales and use taxes paid for which the business was entitled to an abatement or partial abatement; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Office of Economic Development to approve an abatement or partial abatement of certain property taxes, business taxes and sales and use taxes in certain circumstances. (NRS 274.310, 274.320, 274.330, 360.750, 360.752, 360.753, 360.754, 360.889, 360.945) The Office is prohibited from approving an application for such an abatement unless the applicant has entered into an agreement with the Office establishing certain terms for the abatement, which, in certain cases, includes the date on which the abatement becomes effective. (NRS 274.310, 274.320, 274.330, 360.750, 360.752, 360.753, 360.754, 360.889, 360.945) Sections 1.5-6 and 9-11 of this bill prohibit the effective date of an abatement or partial abatement, as established by the agreement, from being later than 1 year after the date on which the application for the abatement is approved. Sections 1.5-6 and 9-11 also require an applicant to enter into the agreement with the Office within 1 year after the application is received by the Office and, if the applicant fails to do so, requires the applicant to submit a new application to be eligible to receive approval for an abatement or partial abatement.

Section 1 of this bill provides that if the Office approves an application submitted by a business for certain abatements or partial abatements of sales and use taxes, the Department of Taxation is required to issue to the business a document: (1) certifying the abatement or partial abatement; and (2) clearly

stating that the business is not required to pay sales and use taxes or the rate of sales and use tax that the business is required to pay. Section 1 authorizes a business for which the Office has approved certain abatements or partial abatements of sales and use taxes to seek a refund of the amount of sales and use taxes paid for which the business was entitled to an abatement if the business failed to present the certifying document. However, under section 1, if the failure of a business to present the certifying document results in a refund for 50 percent or more of the purchases for which the business is eligible for an abatement or partial abatement, the business is required to pay a penalty equal to 10 percent of the amount of sales and use taxes abated, and that penalty is required to be distributed proportionally to local governments affected by the refunds. **Section 1** additionally authorizes a business to apply to the Department for a refund of an amount of sales and use taxes paid on purchases for which the business was entitled to an abatement if the purchase is made after the application for the abatement or partial abatement is submitted and before the document certifying the partial abatement is issued. Finally, section 1 provides that no interest may be paid on any refunds issued pursuant to **section 1**.

Section 12 of this bill provides that the amendatory provisions of this bill apply only to applications for an abatement that are submitted on or after July 1, 2021.

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

Section 1. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. If the Office of Economic Development approves an application for an abatement of sales and use taxes pursuant to NRS 360.950 or a partial abatement of any sales and use taxes pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753, 360.754 or 360.890, the Department shall issue to the business a document certifying the abatement or partial abatement which can be presented to retailers at the time of purchase. The document must clearly state that the business is not required to pay sales and use taxes or the rate of sales and use tax that the business is required to pay.
- 2. If the Department has issued to a business a document pursuant to subsection 1 and the business pays an amount of sales and use taxes for which the business was entitled to an abatement because the business fails to present the document, the business may apply to the Department for a refund of the amount of sales and use tax paid for which the business was entitled to an abatement. If the Department has issued to a business a document pursuant to subsection 1 and the failure of the business to present the document results in the business paying the full amount of sales and use

tax on 50 percent or more of the purchases for which the business was eligible for the abatement \neq

- (a) The business shall be deemed to be out of compliance with the abatement agreement entered into by the business; and
- (b) The the Department shall impose on the business a penalty equal to 10 percent of the total amount of the abatement. The Department shall distribute the proceeds of any penalty imposed pursuant to this forward pursuant to this subsection to each local government affected by a refund issued pursuant to this subsection in proportion to the amount of the refunds for which the affected local government is responsible.
- 3. If, after submitting an application for an abatement of sales and use taxes pursuant to NRS 360.950 or a partial abatement of any sales and use taxes pursuant to NRS 360.750, 360.753, 360.754 or 360.890 and before receiving the document issued pursuant to subsection 1, a business pays an amount of sales and use tax for which the business is entitled to an abatement, the business may apply to the Department for a refund of the amount of sales and use tax which the applicant paid for which the business is entitled to an abatement.
- 4. Notwithstanding any other provision of law, no interest is allowed on a refund made pursuant to subsection 2 or 3.
 - **Sec. 1.5.** NRS 360.750 is hereby amended to read as follows:
- 360.750 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the:
 - (a) New business pursuant to chapter 361, 363B or 374 of NRS.
- (b) Expanded business pursuant to chapter 361 or 363B of NRS or *a partial abatement of* the local sales and use taxes [-] *imposed on the expanded business*. As used in this paragraph, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is to be located or expanded, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.
- 2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:
 - (a) The business offers primary jobs and is consistent with:
- (1) The State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053; and
- (2) Any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.
- (b) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which must:
 - (1) Comply with the requirements of NRS 360.755;

- (2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application;
- (3) State that the business will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection;
 - (4) State that the business will offer primary jobs; and
 - (5) Bind the successors in interest of the business for the specified period.
- (c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.
- (d) Except as otherwise provided in subsection 4 or 5, the average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.
- (e) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office.
- (f) Except as otherwise provided in this subsection and NRS 361.0687, if the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business meets at least one of the following requirements:
- (1) The business will have 50 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.
- (2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least \$1,000,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.
- (g) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is less than 100,000, in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States

Department of Agriculture, or in a city whose population is less than 60,000, the business meets at least one of the following requirements:

- (1) The business will have 10 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.
- (2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least \$250,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.
- (h) If the business is an existing business, the business meets at least one of the following requirements:
 - (1) For a business in:
- (I) Except as otherwise provided in sub-subparagraph (II), a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by twenty-five employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective; or
- (II) A county whose population is less than 100,000, an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture, or a city whose population is less than 60,000, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by six employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.
- (2) The business will expand by making a capital investment in this State, not later than the date which is 2 years after the date on which the abatement becomes effective, in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective, and the capital investment will be in capital assets that will be retained at the location

of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective. The determination of the value of the tangible property possessed by the business in the immediately preceding fiscal year must be made by the:

- (I) County assessor of the county in which the business will expand, if the business is locally assessed; or
 - (II) Department, if the business is centrally assessed.
- (i) The applicant has provided in the application an estimate of the total number of new employees which the business anticipates hiring in this State by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective if the Office approves the application.
- 3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:
- (a) Shall not consider an application for a partial abatement pursuant to this section unless the Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.
- (b) Shall consider the level of health care benefits provided by the business to its employees, the projected economic impact of the business and the projected tax revenue of the business after deducting projected revenue from the abated taxes.
 - (c) May, if the Office determines that such action is necessary:
- (1) Approve an application for a partial abatement pursuant to this section by a business that does not meet the requirements set forth in paragraph (f), (g) or (h) of subsection 2;
- (2) Make any of the requirements set forth in paragraphs (d) to (h), inclusive, of subsection 2 more stringent; or
- (3) Add additional requirements that a business must meet to qualify for a partial abatement pursuant to this section.
- 4. Notwithstanding any other provision of law, the Office of Economic Development shall not approve an application for a partial abatement pursuant to this section if:
- (a) The applicant intends to locate or expand in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the applicant to its new employees in this State is less than 70 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.
- (b) The applicant intends to locate or expand in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the applicant to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

- (c) The applicant intends to locate in a county but has already received a partial abatement pursuant to this section for locating that business in that county.
- (d) The applicant intends to expand in a county but has already received a partial abatement pursuant to this section for expanding that business in that county.
- (e) The applicant has changed the name or identity of the business to evade the provisions of paragraph (c) or (d).
- 5. Notwithstanding any other provision of law, if the Office of Economic Development approves an application for a partial abatement pursuant to this section, in determining the types of taxes imposed on a new or expanded business for which the partial abatement will be approved and the amount of the partial abatement:
- (a) If the new or expanded business is located in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the business to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:
- (1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.
- (2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.
- (b) If the new or expanded business is located in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the business to its new employees in this State is less than 100 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:
- (1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.
- (2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.
- 6. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:
 - (a) The Department;
 - (b) The Nevada Tax Commission; and
- (c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer.

- 7. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.
- 8. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (b) of subsection 2 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.
- **9.** If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:
 - (a) To meet the requirements set forth in subsection 2; or
- (b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,
- the business shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.
 - [9.] 10. A county treasurer:
- (a) Shall deposit any money that he or she receives pursuant to subsection [8] 9 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and
- (b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.
- [10.] 11. The Office of Economic Development may adopt such regulations as the Office of Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.
 - [11.] 12. The Nevada Tax Commission:
 - (a) Shall adopt regulations regarding:
- (1) The capital investment that a new business must make to meet the requirement set forth in paragraph (f) or (g) of subsection 2; and
- (2) Any security that a business is required to post to qualify for a partial abatement pursuant to this section.
- (b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section and NRS 360.755.

- [12.] 13. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.
- [13.] 14. For the purposes of this section, an employee is a "full-time employee" if he or she is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subsection 2.
 - **Sec. 2.** NRS 360.752 is hereby amended to read as follows:
- 360.752 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of the tax imposed on the new or expanded business pursuant to chapter 361 of NRS.
- 2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:
- (a) The business is in one or more of the industry sectors for economic development promoted, identified or otherwise approved by the Governor's Workforce Investment Board described in NRS 232.935.
 - (b) The business is consistent with:
- (1) The State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053; and
- (2) Any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.
- (c) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which must:
 - (1) Comply with the requirements of NRS 360.755;
- (2) Require the business to submit to the Department the reports required by paragraph (c) of subsection 1 of NRS 218D.355;
- (3) State the agreed terms of the partial abatement, which must comply with the requirements of subsection 4;
- (4) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application;
- (5) State that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and
 - (6) Bind the successors in interest of the business for the specified period.
- (d) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.

- (e) The business does not receive:
- (1) Any funding from a governmental entity, other than any private activity bonds as defined in 26 U.S.C. § 141; or
- (2) Any real or personal property from a governmental entity at no cost or at a reduced cost.
- (f) The average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.
- (g) The business will offer a health insurance plan for all full-time employees that includes an option for health insurance coverage for dependents of those employees, or will abide by all applicable provisions of the Patient Protection and Affordable Care Act, Public Law 111-148, or both, and the benefits the business offers to its employees in this State will meet the minimum requirements for benefits established by the Office.
 - (h) The business meets the following requirements:
- (1) The business makes a capital investment of at least \$1,000,000 in a program of the University of Nevada, Reno, the University of Nevada, Las Vegas, or the Desert Research Institute to be used in support of research, development or training related to the field of endeavor of the business.
- (2) The business will employ 15 or more full-time employees for the duration of the abatement.
- (3) The business will employ two or more graduate students from the program in which the capital investment is made on a part-time basis during years 2 through 5, inclusive, of the abatement.
 - (4) The business submits with its application for a partial abatement:
- (I) A letter of support from the institution in which the capital investment is made, which is signed by the chief administrative officer of the institution and the director or chair of the program or the appropriate department, and which includes, without limitation, a summary of the financial and other resources the business will provide to the program and an agreement that the institution will provide to the Office periodic reports, at such times and containing such information as the Office may require, regarding the use of those resources; and
- (II) A letter of support which is signed by the chair of the board of directors of the regional economic development authority within whose jurisdiction the institution is located and which includes, without limitation, a summary of the role the business will play in diversifying the economy and, if applicable, in achieving the broader goals of the regional economic development authority for economic development and diversification.
- (i) In lieu of meeting the requirements of paragraph (h), the business meets the following requirements:
- (1) The business makes a capital investment of at least \$500,000 in the Nevada State College or an institution of the Nevada System of Higher

Education other than those set forth in subparagraph (1) of paragraph (h), to be used in support of college certification or in support of research or training related to the field of endeavor of the business.

- (2) The business will employ 15 or more full-time employees for the duration of the abatement.
- (3) The business will employ two or more students from the college or institution in which the capital investment is made on a full-time basis during years 2 through 5, inclusive, of the abatement.
 - (4) The business submits with its application for a partial abatement:
- (I) A letter of support from the college or institution in which the capital investment is made, which is signed by the chief administrative officer of the college or institution and which includes, without limitation, a summary of the financial and other resources the business will provide to the program and an agreement that the college or institution will provide to the Office periodic reports, at such times and containing such information as the Office may require, regarding the use of those resources; and
- (II) A letter of support which is signed by the chair of the board of directors of the regional economic development authority within whose jurisdiction the college or institution is located and which includes, without limitation, a summary of the role the business will play in diversifying the economy and, if applicable, in achieving the broader goals of the regional economic development authority for economic development and diversification.
- 3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:
- (a) Shall furnish to the board of county commissioners of each affected county a copy of each application for a partial abatement pursuant to this section.
- (b) Shall not consider an application for a partial abatement pursuant to this section unless the Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.
- (c) Shall not approve an application for a partial abatement pursuant to this section unless the abatement is approved or deemed approved as described in this paragraph. The board of county commissioners of each affected county must approve or deny the application not later than 30 days after the board of county commissioners receives a copy of the application as described in paragraph (a). If the board of county commissioners does not approve or deny the application within 30 days after the board of county commissioners receives a copy of the application, the application shall be deemed approved.
- (d) May, if the Office determines that such action is necessary add additional requirements that a business must meet to qualify for a partial abatement pursuant to this section.
- 4. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

- (a) The total amount of the abatement must not exceed;
- (1) Fifty percent of the amount of the taxes imposed on the personal property of the business pursuant to chapter 361 of NRS during the period of the abatement; or
- (2) Fifty percent of the amount of the capital investment by the business,

 → whichever amount is less;
- (b) The duration of the abatement must be for 5 years; and
- (c) The abatement applies only to the business for which the abatement was approved pursuant to this section and the property used in connection with that business.
- 5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:
 - (a) The Department;
 - (b) The Nevada Tax Commission; and
- (c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business will be located.
- 6. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.
- 7. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (c) of subsection 2 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.
- 8. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases to meet the requirements set forth in subsection 2 or ceases operation before the time specified in the agreement described in paragraph (c) of subsection 2:
- (a) The business shall repay to the county treasurer the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.
- (b) The applicable institution of higher education is entitled to keep the entire capital investment made by the business in that institution.

[8.] 9. A county treasurer:

- (a) Shall deposit any money that he or she receives pursuant to subsection $\{7\}$ 8 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and
- (b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.
 - [9.] 10. The Office of Economic Development:
- (a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for a partial abatement pursuant to this section; and
- (b) May adopt such regulations as the Office determines to be necessary to carry out the provisions of this section.

11. The Nevada Tax Commission:

- (a) Shall adopt regulations regarding any security that a business is required to post to qualify for a partial abatement pursuant to this section; and
- (b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.
- [11.] 12. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.
- [12.] 13. Except as otherwise provided in this subsection, as used in this section, "capital investment" includes, without limitation, an investment of real or personal property, money or other assets by a business in an institution of the Nevada System of Higher Education. The Office of Economic Development may, by regulation, specify the types of real or personal property or assets that are included within the definition of "capital investment."
 - **Sec. 3.** NRS 360.753 is hereby amended to read as follows:
- 360.753 1. An owner of a business or a person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of:
- (a) The personal property taxes imposed on an aircraft and the personal property used to own, operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft; and
- (b) The local sales and use taxes imposed on the purchase of tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft.
- 2. Notwithstanding the provisions of any law to the contrary and except as otherwise provided in subsections 3 and 4, the Office of Economic Development shall approve an application for a partial abatement if the Office makes the following determinations:
- (a) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which:
 - (1) Complies with the requirements of NRS 360.755;

- (2) States the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application;
- (3) States that the business will, after the date on which a certificate of eligibility for the partial abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be not less than 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and
- (4) Binds any successor in interest of the applicant for the specified period;
- (b) The business is registered pursuant to the laws of this State or the applicant commits to obtaining a valid business license and all other permits required by the county, city or town in which the business operates;
- (c) The business owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an aircraft;
- (d) The average hourly wage that will be paid by the business to its employees in this State during the period of partial abatement is not less than 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year;
- (e) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office;
 - (f) If the business is:
- (1) A new business, that it will have five or more full-time employees on the payroll of the business within 1 year after receiving its certificate of eligibility for a partial abatement; or
- (2) An existing business, that it will increase its number of full-time employees on the payroll of the business in this State by 3 percent or three employees, whichever is greater, within 1 year after receiving its certificate of eligibility for a partial abatement;
 - (g) The business meets at least one of the following requirements:
- (1) The business will make a new capital investment of at least \$250,000 in this State within 1 year after receiving its certificate of eligibility for a partial abatement;
- (2) The business will maintain and possess in this State tangible personal property having a value of not less than \$5,000,000 during the period of partial abatement;
- (3) The business develops, refines or owns a patent or other intellectual property, or has been issued a type certificate by the Federal Aviation Administration pursuant to 14 C.F.R. Part 21; and

- (h) If the application is for the partial abatement of the taxes imposed by the Local School Support Tax Law, the application has been approved by a vote of at least two-thirds of the members of the Board of Economic Development created by NRS 231.033.
 - 3. The Office of Economic Development:
- (a) Shall approve or deny an application submitted pursuant to this section and notify the applicant of its decision not later than 45 days after receiving the application.
 - (b) Must not:
- (1) Consider an application for a partial abatement unless the Office has requested a letter of acknowledgment of the request for the partial abatement from any affected county, school district, city or town and has complied with the requirements of NRS 360.757; or
- (2) Approve a partial abatement for any applicant for a period of more than 10 years.
- 4. The Office of Economic Development must not approve a partial abatement of personal property taxes for a business whose physical property is collectively valued and centrally assessed pursuant to NRS 361.320 and 361.3205.
- 5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the partial abatement to:
 - (a) The Department;
 - (b) The Nevada Tax Commission; and
- (c) If the partial abatement is from personal property taxes, the appropriate county treasurer.
- 6. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.
- 7. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (a) of subsection 2 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.
- **8.** If a business whose partial abatement has been approved pursuant to this section and whose partial abatement is in effect ceases:
 - (a) To meet the requirements set forth in subsection 2; or
- (b) Operation before the time specified in the agreement described in paragraph (a) of subsection 2,
- → the business shall repay to the Department or, if the partial abatement was from personal property taxes, to the appropriate county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission

determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

- [8.] 9. The Office of Economic Development may adopt such regulations as the Office determines to be necessary to carry out the provisions of this section.
- [9.] 10. The Nevada Tax Commission may adopt such regulations as the Commission determines are necessary to carry out the provisions of this section.
- [10.] 11. An applicant for a partial abatement who is aggrieved by a final decision of the Office of Economic Development may petition a court of competent jurisdiction to review the decision in the manner provided in chapter 233B of NRS.
 - [11.] 12. As used in this section:
- (a) "Aircraft" means any fixed-wing, rotary-wing or unmanned aerial vehicle.
 - (b) "Component of an aircraft" means any:
- (1) Element that makes up the physical structure of an aircraft, or is affixed thereto:
- (2) Mechanical, electrical or other system of an aircraft, including, without limitation, any component thereof; and
- (3) Raw material or processed material, part, machinery, tool, chemical, gas or equipment used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or component of an aircraft.
- (c) "Full-time employee" means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subparagraph (3) of paragraph (a) of subsection 2.
- (d) "Local sales and use taxes" means any taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in any political subdivision of this State, except the taxes imposed by the Sales and Use Tax Act.
- (e) "Personal property taxes" means any taxes levied on personal property by the State or a local government pursuant to chapter 361 of NRS.
 - **Sec. 4.** NRS 360.754 is hereby amended to read as follows:
- 360.754 1. A person who intends to locate or expand a data center in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded data center pursuant to chapter 361 or 374 of NRS.

- 2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:
- (a) The application is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.
- (b) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office of Economic Development which must:
 - (1) Comply with the requirements of NRS 360.755;
- (2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office of Economic Development, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application;
- (3) State that the data center will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office of Economic Development, which must be at least 10 years, and will continue to meet the eligibility requirements set forth in this subsection; and
- (4) Bind the successors in interest of the applicant for the specified period.
- (c) The applicant is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by each county, city or town in which the data center operates.
- (d) If the applicant is seeking a partial abatement for a period of not more than 10 years, the applicant meets the following requirements:
- (1) The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added 10 or more full-time employees who are residents of Nevada and who will be employed at the data center and will continue to employ 10 or more full-time employees who are residents of Nevada at the data center until at least the date which is 10 years after the date on which the abatement becomes effective.
- (2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least \$25,000,000 in capital assets that will be used or located at the data center.
- (3) The average hourly wage that will be paid by the data center to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

- (I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and
- (II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection [12.] 13.
- (4) At least 50 percent of the employees engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.
- (e) If the applicant is seeking a partial abatement for a period of 10 years or more but not more than 20 years, the applicant meets the following requirements:
- (1) The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added 50 or more full-time employees who are residents of Nevada and who will be employed at the data center and will continue to employ 50 or more full-time employees who are residents of Nevada at the data center until at least the date which is 20 years after the date on which the abatement becomes effective.
- (2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least \$100,000,000 in capital assets that will be used or located at the data center.
- (3) The average hourly wage that will be paid by the data center to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:
- (I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and
- (II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection [12.] 13.
- (4) At least 50 percent of the employees engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is

an insufficient number of residents of Nevada available and qualified for such employment.

- (f) The applicant has provided in the application an estimate of the total number of new employees which the data center anticipates hiring in this State if the Office of Economic Development approves the application.
- (g) If the applicant is seeking a partial abatement of the taxes imposed by the Local School Support Tax Law, the application has been approved by a vote of at least two-thirds of the members of the Board of Economic Development created by NRS 231.033.
- 3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:
- (a) Shall not consider an application for a partial abatement pursuant to this section unless the Office of Economic Development has requested a letter of acknowledgment of the request for the abatement from each affected county, school district, city or town.
- (b) Shall consider the level of health care benefits provided to employees employed at the data center, the projected economic impact of the data center and the projected tax revenue of the data center after deducting projected revenue from the abated taxes.
- (c) May, if the Office of Economic Development determines that such action is necessary:
- (1) Approve an application for a partial abatement pursuant to this section by a data center that does not meet the requirements set forth in paragraph (d) or (e) of subsection 2;
- (2) Make the requirements set forth in paragraphs (d) and (e) of subsection 2 more stringent; or
- (3) Add additional requirements that an applicant must meet to qualify for a partial abatement pursuant to this section.
- 4. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:
 - (a) The Department;
 - (b) The Nevada Tax Commission; and
- (c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of each county in which the data center is or will be located.
- 5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office may also approve a partial abatement of taxes for each colocated business that enters into a contract to use or occupy, for a period of at least 2 years, all or a portion of the new or expanded data center. Each such colocated business shall obtain a state business license issued by the Secretary of State. The percentage amount of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the percentage amount of the partial abatement approved for the data center. The duration of a partial abatement approved for a colocated

business pursuant to this subsection must not exceed the duration of the contract or contracts entered into between the colocated business and the data center, including the duration of any contract or contracts extended or renewed by the parties. If a colocated business ceases to meet the requirements set forth in this subsection, the colocated business shall repay the amount of the abatement that was allowed in the same manner in which a data center is required by subsection [7] 8 to repay the Department or a county treasurer. If a data center ceases to meet the requirements of subsection 2 or ceases operation before the time specified in the agreement described in paragraph (b) of subsection 2, any partial abatement approved for a colocated business ceases to be in effect, but the colocated business is not required to repay the amount of the abatement that was allowed before the date on which the abatement ceases to be in effect. A data center shall provide the Executive Director of the Office and the Department with a list of the colocated businesses that are qualified to receive a partial abatement pursuant to this subsection and shall notify the Executive Director within 30 days after any change to the list. The Executive Director shall provide the list and any updates to the list to the Department and the county treasurer of each affected county.

- 6. An applicant for a partial abatement pursuant to this section or a data center whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.
- 7. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (b) of subsection 2 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.
- **8.** If a data center whose partial abatement has been approved pursuant to this section and is in effect ceases:
 - (a) To meet the requirements set forth in subsection 2; or
- (b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2.
- the data center shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the data center to comply unless the Nevada Tax Commission determines that the data center has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the data center shall, in addition to the amount of the partial abatement required to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

[8.] 9. A county treasurer:

- (a) Shall deposit any money that he or she receives pursuant to subsection 5 or [7] 8 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and
- (b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.
- [9.] 10. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.
- [10.] 11. For an employee to be considered a resident of Nevada for the purposes of this section, a data center must maintain the following documents in the personnel file of the employee:
- (a) A copy of the current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;
- (b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;
 - (c) Proof that the employee is a full-time employee; and
- (d) Proof that the employee is covered by the health insurance plan which the data center is required to provide pursuant to sub-subparagraph (I) of subparagraph (3) of paragraph (d) of subsection 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of subsection 2.
- [11-] 12. For the purpose of obtaining from the Executive Director of the Office of Economic Development any waiver of the requirements set forth in subparagraph (4) of paragraph (d) of subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a data center must submit to the Executive Director of the Office of Economic Development written documentation of the efforts to meet the requirements and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

[12.] 13. The Office of Economic Development:

- (a) Shall adopt regulations relating to the minimum level of health care benefits that a data center must provide to its employees to meet the requirement set forth in paragraph (d) or (e) of subsection 2;
- (b) May adopt such other regulations as the Office determines to be necessary to carry out the provisions of this section; and
- (c) Shall not approve any application for a partial abatement submitted pursuant to this section which is received on or after January 1, 2036.

[13.] *14.* The Nevada Tax Commission:

- (a) Shall adopt regulations regarding:
- (1) The capital investment necessary to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and
- (2) Any security that a data center is required to post to qualify for a partial abatement pursuant to this section.

- (b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.
 - [14.] 15. As used in this section, unless the context otherwise requires:
- (a) "Colocated business" means a person who enters into a contract with a data center that is qualified to receive an abatement pursuant to this section to use or occupy all or part of the data center.
- (b) "Data center" means one or more buildings located at one or more physical locations in this State which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.
- (c) "Full-time employee" means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in paragraph (d) or (e) of subsection 2.
 - **Sec. 5.** NRS 360.889 is hereby amended to read as follows:
- 360.889 1. On behalf of a project, the lead participant in the project may apply to the Office of Economic Development for:
- (a) A certificate of eligibility for transferable tax credits which may be applied to:
 - (1) Any tax imposed by chapters 363A and 363B of NRS;
 - (2) The gaming license fees imposed by the provisions of NRS 463.370;
 - (3) Any tax imposed by chapter 680B of NRS; or
- (4) Any combination of the fees and taxes described in subparagraphs (1), (2) and (3).
- (b) A partial abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes.
- 2. For a project to be eligible for the transferable tax credits described in paragraph (a) of subsection 1 and the partial abatement of the taxes described in paragraph (b) of subsection 1, the lead participant in the project must, on behalf of the project:
 - (a) Submit an application that meets the requirements of subsection 5;
- (b) Provide documentation satisfactory to the Office that approval of the application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053;
- (c) Provide documentation satisfactory to the Office that the participants in the project collectively will make a total new capital investment of at least \$1 billion in this State within the 10-year period immediately following approval of the application;
- (d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common business purpose or industry;

- (e) Provide documentation satisfactory to the Office that the place of business of each participant is or will be located within the geographic boundaries of the project site or sites;
- (f) Provide documentation satisfactory to the Office that each participant in the project is registered pursuant to the laws of this State or commits to obtaining a valid business license and all other permits required by the county, city or town in which the project operates;
- (g) Provide documentation satisfactory to the Office of the number of employees engaged in the construction of the project;
- (h) Provide documentation satisfactory to the Office of the number of qualified employees employed or anticipated to be employed at the project by the participants;
- (i) Provide documentation satisfactory to the Office that each employer engaged in the construction of the project provides a plan of health insurance and that each employee engaged in the construction of the project is offered coverage under the plan of health insurance provided by his or her employer;
- (j) Provide documentation satisfactory to the Office that each participant in the project provides a plan of health insurance and that each employee employed at the project by each participant is offered coverage under the plan of health insurance provided by his or her employer;
- (k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged in construction of the project and 50 percent of the employees employed at the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada residents available and qualified for such employment;
- (l) Agree to provide the Office with a full compliance audit of the participants in the project at the end of each fiscal year which:
- (1) Shows the amount of money invested in this State by each participant in the project;
- (2) Shows the number of employees engaged in the construction of the project and the number of those employees who are residents of Nevada;
- (3) Shows the number of employees employed at the project by each participant and the number of those employees who are residents of Nevada; and
- (4) Is certified by an independent certified public accountant in this State who is approved by the Office;
 - (m) Pay the cost of the audit required by paragraph (l);
- (n) Enter into an agreement with the governing body of the city or county in which the qualified project is located that:
- (1) Requires the lead participant to pay the cost of any engineering or design work necessary to determine the cost of infrastructure improvements required to be made by the governing body pursuant to an economic development financing proposal approved pursuant to NRS 360.990; and

- (2) Requires the lead participant to seek reimbursement for any costs paid by the lead participant pursuant to subparagraph (1) from the proceeds of bonds issued pursuant to NRS 360.991; and
 - (o) Meet any other requirements prescribed by the Office.
- 3. In addition to meeting the requirements set forth in subsection 2, for a project located on more than one site in this State to be eligible for the partial abatement of the taxes described in paragraph (b) of subsection 1, the lead participant must, on behalf of the project, submit an application that meets the requirements of subsection 5 on or before June 30, 2019, and provide documentation satisfactory to the Office that:
- (a) The initial project will have a total of 500 or more full-time employees employed at the site of the initial project and the average hourly wage that will be paid to employees of the initial project in this State is at least 120 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year;
- (b) Each participant in the project must be a subsidiary or affiliate of the lead participant; and
 - (c) Each participant offers primary jobs and:
- (1) Except as otherwise provided in subparagraph (2), satisfies the requirements of paragraph (f) or (g) of subsection 2 of NRS 360.750, regardless of whether the business is a new business or an existing business; and
- (2) If a participant owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an aircraft, that the participant satisfies the applicable requirements of paragraph (f) or (g) of subsection 2 of NRS 360.753.
- If any participant is a data center, as defined in NRS 360.754, any capital investment by that participant must not be counted in determining whether the participants in the project collectively will make a total new capital investment of at least \$1 billion in this State within the 10-year period immediately following approval of the application, as required by paragraph (c) of subsection 2.
- 4. In addition to meeting the requirements set forth in subsection 2, a project is eligible for the transferable tax credits described in paragraph (a) of subsection 1 only if the Interim Finance Committee approves a written request for the issuance of the transferable tax credits. Such a request may only be submitted by the Office and only after the Office has approved the application submitted for the project pursuant to subsection 2. The Interim Finance Committee may approve a request submitted pursuant to this subsection only if the Interim Finance Committee determines that approval of the request:
- (a) Will not impede the ability of the Legislature to carry out its duty to provide for an annual tax sufficient to defray the estimated expenses of the State for each fiscal year as set forth in Article 9, Section 2 of the Nevada Constitution; and

- (b) Will promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053.
 - 5. An application submitted pursuant to subsection 2 must include:
- (a) A detailed description of the project, including a description of the common purpose or business endeavor in which the participants in the project are engaged;
- (b) A detailed description of the location of the project, including a precise description of the geographic boundaries of the project site or sites;
- (c) The name and business address of each participant in the project, which must be an address in this State;
- (d) A detailed description of the plan by which the participants in the project intend to comply with the requirement that the participants collectively make a total new capital investment of at least \$1 billion in this State in the 10-year period immediately following approval of the application;
- (e) If the application includes one or more partial abatements, an agreement executed by the Office with the lead participant in the project *not later than 1* year after the date on which the application was received by the Office which:
 - (1) Complies with the requirements of NRS 360.755;
- (2) States the date on which the partial abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application;
- (3) States that the project will, after the date on which a certificate of eligibility for the partial abatement is approved pursuant to NRS 360.893, continue in operation in this State for a period specified by the Office; and
- (4) Binds successors in interest of the lead participant for the specified period; and
 - (f) Any other information required by the Office.
- 6. For an employee to be considered a resident of Nevada for the purposes of this section, each participant in the project must maintain the following documents in the personnel file of the employee:
 - (a) A copy of the:
- (1) Current and valid Nevada driver's license of the employee originally issued by the Department of Motor Vehicles more than 60 days before the hiring of the employee or a current and valid identification card for the employee originally issued by the Department of Motor Vehicles more than 60 days before the hiring of the employee; or
- (2) If the employee is a veteran of the Armed Forces of the United States, a current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;
- (b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;

- (c) Proof that the employee is employed full-time and scheduled to work for an average minimum of 30 hours per week; and
- (d) Proof that the employee is offered coverage under a plan of health insurance provided by his or her employer.
- 7. For the purpose of obtaining from the Executive Director of the Office any waiver of the requirement set forth in paragraph (k) of subsection 2, the lead participant in the project must submit to the Executive Director of the Office written documentation of the efforts to meet the requirement and documented proof that an insufficient number of Nevada residents is available and qualified for employment.
- 8. The Executive Director of the Office shall make available to the public and post on the Internet website of the Office:
- (a) Any request for a waiver of the requirements set forth in paragraph (k) of subsection 2; and
- (b) Any approval of such a request for a waiver that is granted by the Executive Director of the Office.
- 9. The Executive Director of the Office shall post a request for a waiver of the requirements set forth in paragraph (k) of subsection 2 on the Internet website of the Office within 3 days after receiving the request and shall keep the request posted on the Internet website for not less than 5 days. The Executive Director of the Office shall ensure that the Internet website allows members of the public to post comments regarding the request.
- 10. The Executive Director of the Office shall consider any comments posted on the Internet website concerning any request for a waiver of the requirements set forth in paragraph (k) of subsection 2 before making a decision regarding whether to approve the request. If the Executive Director of the Office approves the request for a waiver, the Executive Director of the Office must post the approval on the Internet website of the Office within 3 days and ensure that the Internet website allows members of the public to post comments regarding the approval.
- 11. If an applicant for one or more partial abatements pursuant to this section fails to enter into the agreement described in paragraph (e) of subsection 5 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.
 - **Sec. 6.** NRS 360.945 is hereby amended to read as follows:
- 360.945 1. On behalf of a project, the lead participant in the project may apply to the Office of Economic Development for:
- (a) A certificate of eligibility for transferable tax credits which may be applied to:
 - (1) Any tax imposed by chapters 363A and 363B of NRS;
 - (2) The gaming license fees imposed by the provisions of NRS 463.370;
 - (3) Any tax imposed by chapter 680B of NRS; or

- (4) Any combination of the fees and taxes described in subparagraphs (1), (2) and (3).
- (b) An abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes.
- 2. For a project to be eligible for the transferable tax credits described in paragraph (a) of subsection 1 and abatement of the taxes described in paragraph (b) of subsection 1, the lead participant in the project must, on behalf of the project:
 - (a) Submit an application that meets the requirements of subsection 3;
- (b) Provide documentation satisfactory to the Office that approval of the application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053;
- (c) Provide documentation satisfactory to the Office that the participants in the project collectively will make a total new capital investment of at least \$3.5 billion in this State within the 10-year period immediately following approval of the application;
- (d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common business purpose or industry;
- (e) Provide documentation satisfactory to the Office that the place of business of each participant is or will be located within the geographic boundaries of the project site;
- (f) Provide documentation satisfactory to the Office that each participant in the project is registered pursuant to the laws of this State or commits to obtaining a valid business license and all other permits required by the county, city or town in which the project operates;
- (g) Provide documentation satisfactory to the Office of the number of employees engaged in the construction of the project;
- (h) Provide documentation satisfactory to the Office of the number of qualified employees employed or anticipated to be employed at the project by the participants;
- (i) Provide documentation satisfactory to the Office that each employer engaged in the construction of the project provides a plan of health insurance and that each employee engaged in the construction of the project is offered coverage under the plan of health insurance provided by his or her employer;
- (j) Provide documentation satisfactory to the Office that each participant in the project provides a plan of health insurance and that each employee employed at the project by each participant is offered coverage under the plan of health insurance provided by his or her employer;
- (k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged in construction of the project and 50 percent of the employees employed at the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada residents available and qualified for such employment;

- (l) Agree to provide the Office with a full compliance audit of the participants in the project at the end of each fiscal year which:
- (1) Shows the amount of money invested in this State by each participant in the project;
- (2) Shows the number of employees engaged in the construction of the project and the number of those employees who are residents of Nevada;
- (3) Shows the number of employees employed at the project by each participant and the number of those employees who are residents of Nevada; and
- (4) Is certified by an independent certified public accountant in this State who is approved by the Office;
 - (m) Pay the cost of the audit required by paragraph (l);
- (n) Enter into an agreement with the governing body of the city or county in which the qualified project is located that:
- (1) Requires the lead participant to pay the cost of any engineering or design work necessary to determine the cost of infrastructure improvements required to be made by the governing body pursuant to an economic development financing proposal approved pursuant to NRS 360.990; and
- (2) Requires the lead participant to seek reimbursement for any costs paid by the lead participant pursuant to subparagraph (1) from the proceeds of bonds of the State of Nevada issued pursuant to NRS 360.991; and
 - (o) Meet any other requirements prescribed by the Office.
 - 3. An application submitted pursuant to subsection 2 must include:
- (a) A detailed description of the project, including a description of the common purpose or business endeavor in which the participants in the project are engaged;
- (b) A detailed description of the location of the project, including a precise description of the geographic boundaries of the project site;
- (c) The name and business address of each participant in the project, which must be an address in this State;
- (d) A detailed description of the plan by which the participants in the project intend to comply with the requirement that the participants collectively make a total new capital investment of at least \$3.5 billion in this State in the 10-year period immediately following approval of the application;
- (e) If the application includes one or more abatements, an agreement executed by the Office with the lead participant in the project *not later than 1* year after the date on which the application was received by the Office which:
 - (1) Complies with the requirements of NRS 360.755;
- (2) States that the project will, after the date on which a certificate of eligibility for the abatement is approved pursuant to NRS 360.965, continue in operation in this State for a period specified by the Office; and
- (3) Binds successors in interest of the lead participant for the specified period; and
 - (f) Any other information required by the Office.

- 4. For an employee to be considered a resident of Nevada for the purposes of this section, each participant in the project must maintain the following documents in the personnel file of the employee:
- (a) A copy of the current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;
- (b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles:
- (c) Proof that the employee is employed full-time and scheduled to work for an average minimum of 30 hours per week; and
- (d) Proof that the employee is offered coverage under a plan of health insurance provided by his or her employer.
- 5. For the purpose of obtaining from the Executive Director of the Office any waiver of the requirement set forth in paragraph (k) of subsection 2, the lead participant in the project must submit to the Executive Director of the Office written documentation of the efforts to meet the requirement and documented proof that an insufficient number of Nevada residents is available and qualified for employment.
- 6. The Executive Director of the Office shall make available to the public and post on the Internet website for the Office:
- (a) Any request for a waiver of the requirements set forth in paragraph (k) of subsection 2; and
- (b) Any approval of such a request for a waiver that is granted by the Executive Director of the Office.
- 7. The Executive Director of the Office shall post a request for a waiver of the requirements set forth in paragraph (k) of subsection 2 on the Internet website of the Office within 3 days after receiving the request and shall keep the request posted on the Internet website for not less than 5 days. The Executive Director of the Office shall ensure that the Internet website allows members of the public to post comments regarding the request.
- 8. The Executive Director of the Office shall consider any comments posted on the Internet website concerning any request for a waiver of the requirements set forth in paragraph (k) of subsection 2 before making a decision regarding whether to approve the request. If the Executive Director of the Office approves the request for a waiver, the Executive Director of the Office must post the approval on the Internet website of the Office within 3 days and ensure that the Internet website allows members of the public to post comments regarding the approval.
- 9. If an applicant for one or more abatements pursuant to this section fails to enter into the agreement described in paragraph (e) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for an abatement pursuant to this section unless the applicant submits a new application.
 - Sec. 7. (Deleted by amendment.)

- **Sec. 8.** (Deleted by amendment.)
- **Sec. 9.** NRS 274.310 is hereby amended to read as follows:
- 274.310 1. A person who intends to locate a business in this State within:
- (a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;
- (b) A redevelopment area created pursuant to chapter 279 of NRS;
- (c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or
- (d) An enterprise community established pursuant to 24 C.F.R. Part 597, may submit a request to the governing body of the county, city or town in which the business would operate for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 of NRS or the local sales and use taxes. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business would operate. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.
- 2. The governing body of a county, city or town shall develop procedures for:
- (a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.
- (b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.
- 3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:
 - (a) The business is consistent with:
- (1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and
- (2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.
- (b) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which states:
- (1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application; and

- (2) That the business will, after the date on which the abatement becomes effective:
- (I) Commence operation and continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and
- (II) Continue to meet the eligibility requirements set forth in this subsection.
- → The agreement must bind successors in interest of the business for the specified period.
- (c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business will operate.
- (d) The applicant invested or commits to invest a minimum of \$500,000 in capital assets that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.
- 4. If the Office of Economic Development approves an application for a partial abatement, the Office shall immediately forward a certificate of eligibility for the abatement to:
 - (a) The Department of Taxation;
 - (b) The Nevada Tax Commission; and
- (c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business will be located.
- 5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:
- (a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.
- (b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.
- 6. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (b) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new request pursuant to subsection 1.
- 7. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

- (a) To meet the eligibility requirements for the partial abatement; or
- (b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,
- the business shall repay to the Department of Taxation or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.
- [7.] 8. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.
- [8.] 9. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.
 - **Sec. 10.** NRS 274.320 is hereby amended to read as follows:
- 274.320 1. A person who intends to expand a business in this State within:
- (a) A historically underutilized business zone, as defined in 15 U.S.C. \S 632:
 - (b) A redevelopment area created pursuant to chapter 279 of NRS;
- (c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or
 - (d) An enterprise community established pursuant to 24 C.F.R. Part 597,
- may submit a request to the governing body of the county, city or town in which the business operates for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of the local sales and use taxes imposed on capital equipment. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.
- 2. The governing body of a county, city or town shall develop procedures for:

- (a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.
- (b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.
- 3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:
 - (a) The business is consistent with:
- (1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and
- (2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.
- (b) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which states:
- (1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application; and
- (2) That the business will, after the date on which the abatement becomes effective:
- (I) Continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and
- (II) Continue to meet the eligibility requirements set forth in this subsection.
- → The agreement must bind successors in interest of the business for the specified period.
- (c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.
- (d) The applicant invested or commits to invest a minimum of \$250,000 in capital equipment that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.

- 4. If the Office of Economic Development approves an application for a partial abatement, the Office shall immediately forward a certificate of eligibility for the abatement to:
 - (a) The Department of Taxation; and
 - (b) The Nevada Tax Commission.
- 5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:
- (a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.
- (b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.
- 6. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (b) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new request pursuant to subsection 1.
- 7. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:
 - (a) To meet the eligibility requirements for the partial abatement; or
- (b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,
- the business shall repay to the Department of Taxation the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.
- [7.] 8. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.
- [8.] 9. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.
 - **Sec. 11.** NRS 274.330 is hereby amended to read as follows:
- 274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one

or more of the taxes imposed pursuant to chapter 361 of NRS or the local sales and use taxes. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

- 2. The governing body of a county, city or town shall develop procedures for:
- (a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.
- (b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.
- 3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:
 - (a) The business is consistent with:
- (1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and
- (2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.
- (b) [The] Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which states:
- (1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application [;] and not later than 1 year after the date on which the Office approves the application; and
- (2) That the business will, after the date on which the abatement becomes effective:
- (I) Continue in operation in the enterprise community for a period specified by the Office, which must be at least 5 years; and
- (II) Continue to meet the eligibility requirements set forth in this subsection.
- → The agreement must bind successors in interest of the business for the specified period.
- (c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.
 - (d) The business:

- (1) Employs one or more dislocated workers who reside in the enterprise community; and
- (2) Pays such employees a wage of not less than 100 percent of the federally designated level signifying poverty for a family of four persons and provides medical benefits to the employees and their dependents which meet the minimum requirements for medical benefits established by the Office.
- 4. If the Office of Economic Development approves an application for a partial abatement, the Office shall:
- (a) Determine the percentage of employees of the business which meet the requirements of paragraph (d) of subsection 3 and grant a partial abatement equal to that percentage; and
 - (b) Immediately forward a certificate of eligibility for the abatement to:
 - (1) The Department of Taxation;
 - (2) The Nevada Tax Commission; and
- (3) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business is located.
- 5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:
- (a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.
- (b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.
- 6. If an applicant for a partial abatement pursuant to this section fails to enter into the agreement described in paragraph (b) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new request pursuant to subsection 1.
- 7. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:
 - (a) To meet the eligibility requirements for the partial abatement; or
- (b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,
- the business shall repay to the Department of Taxation or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month

following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

- [7.] 8. The Office of Economic Development:
- (a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for an abatement pursuant to this section.
- (b) May adopt such other regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.
- [8.] 9. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.
 - [9.] 10. As used in this section, "dislocated worker" means a person who:
- (a) Has been terminated, laid off or received notice of termination or layoff from employment;
- (b) Is eligible for or receiving or has exhausted his or her entitlement to unemployment compensation;
- (c) Has been dependent on the income of another family member but is no longer supported by that income;
- (d) Has been self-employed but is no longer receiving an income from self-employment because of general economic conditions in the community or natural disaster; or
- (e) Is currently unemployed and unable to return to a previous industry or occupation.
- **Sec. 12.** The amendatory provisions of this act apply only to an application for an abatement from taxation for which a person applies on or after July 1, 2021.
 - **Sec. 13.** This act becomes effective on July 1, 2021.

Assemblywoman Cohen moved that the Assembly concur in the Senate Amendment No. 525 to Assembly Bill No. 66.

Remarks by Assemblywoman Cohen.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 444.

The following Senate amendment was read:

Amendment No. 558.

AN ACT relating to limousines; authorizing a transportation network company to contract with a limousine motor carrier to provide limousine services through the use of the digital network or software application service of the transportation network company; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a transportation network company to enter into an agreement with one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the

driver to the company. (NRS 706A.160) Section 5 of this bill authorizes a transportation network company to enter into a contract with certain limousine motor carriers who hold a certificate of public convenience and necessity to operate a limousine to allow drivers employed by the limousine motor carrier to receive connections to potential passengers from the transportation network company in exchange for the payment of a fee by the limousine motor carrier. Section 5 fauthorizes a transportation network company to charge a fare on behalf of a limousine motor carrier for limousine services provided pursuant to such a contract and requires the method of calculating the fare and, if a passenger elects to receive it, an estimate of the fare to be disclosed by the transportation network company before the passenger enters the limousine of the limousine driver.] requires a limousine motor carrier that has entered into such a contract to notify the transportation network company of any change in the status of the certificate of public convenience and necessity of the limousine motor carrier. Section 5 applies certain excise taxes imposed on feommon motor carriers of passengers] transportation network companies to limousine services provided pursuant to a contract with a transportation network company. Sections 2-4 of this bill define terms relating to limousines.

Section 7 of this bill amends the term "driver" as used in the provisions of NRS governing transportation network companies to exclude a limousine driver providing limousine services pursuant to a contract between a transportation network company and a limousine motor carrier.

Sections 8-10 of this bill make conforming changes to reflect that a limousine driver and limousine motor carrier that provide limousine services pursuant to a contract with a transportation network company remain subject to the provisions of NRS governing motor carriers.

Existing law requires a transportation network company to obtain certain information concerning a driver before allowing the driver to be connected to potential passengers. (NRS 706A.160) **Section 11** of this bill exempts a limousine driver who is providing limousine services pursuant to an agreement with a limousine motor carrier from these requirements.

Section 11.5 of this bill authorizes a transportation network company to charge a fare on behalf of a limousine motor carrier for limousine services provided pursuant to a contract with the company and requires the method of calculating the fare and, if a passenger elects to receive it, an estimate of the fare to be disclosed by the transportation network company before the passenger enters the limousine of the limousine driver. Section 11.5 also prohibits a limousine driver when providing limousine services from soliciting or accepting cash as payment of the fare.

Section 12 of this bill requires a transportation network company to transmit to a passenger a photo of the limousine driver who will be providing limousine services and the license plate of the limousine before the passenger enters the limousine.

Section 13 of this bill requires a transportation network company to transmit an electronic receipt to a passenger who receives limousine services through the transportation network company.

Section 14 of this bill authorizes a transportation network company to transmit the name and telephone number of a passenger to a limousine driver for the purposes of correctly identifying and communicating with the passenger.

Section 14.5 of this bill prohibits a local governmental entity, with certain exceptions, from imposing any tax or fee on a limousine motor carrier that has entered into a contract with a transportation network company or imposing certain other requirements on a limousine driver when providing limousine services.

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

- **Section 1.** Chapter 706A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. "Limousine driver" means a person who has been issued a driver's permit by the Authority pursuant to NRS 706.462 and is employed or under a contract to operate a limousine for a limousine motor carrier.
- Sec. 3. "Limousine motor carrier" means a motor carrier who has obtained a certificate of public convenience and necessity to operate a limousine which does not limit the number of limousines that the motor carrier is authorized to operate.
- Sec. 4. "Limousine services" means the transportation in a limousine by a limousine driver of one or more passengers between points chosen by the passenger or passengers and prearranged through the use of the digital network or software application service of a transportation network company. The term includes only the period beginning when a limousine driver accepts a request by a passenger for transportation through the digital network or software application service of a transportation network company and ending when the last such passenger fully disembarks from the limousine operated by the limousine driver.
- Sec. 5. 1. A transportation network company may enter into a contract with a limousine motor carrier whereby limousine drivers employed by the limousine motor carrier may receive connections to potential passengers and related services from a transportation network company in exchange for the payment of a fee by the limousine motor carrier to the transportation network company.
- 2. Notwithstanding any contract entered into pursuant to subsection 1, a limousine motor carrier shall not provide limousine services through a transportation network company unless the transportation network company holds a valid permit issued by the Authority pursuant to this chapter.
- 3. [A transportation network company shall terminate a contract entered into pursuant to subsection 1 with a limousine motor carrier that ceases to

hold a certificate of public convenience and necessity to operate a limousine which does not restrict the number of limousines that the limousine motor earrier is authorized to operate. A transportation network company shall not provide connections to potential passengers and related services pursuant to a contract entered into pursuant to subsection 1 to the limousine drivers of a limousine motor carrier during any period of time in which the certificate of public convenience and necessity of the limousine motor carrier has been suspended.

- -4.] A limousine motor carrier which enters into a contract pursuant to subsection 1 [remains]:
- (a) Remains subject to the provisions of chapter 706 of NRS [4] and any regulations adopted pursuant thereto, including with respect to limousine services provided pursuant to a contract entered into pursuant to subsection 1.
- [5. In accordance with the provisions of this chapter, a transportation network company which holds a valid permit issued by the Authority pursuant to this chapter may, on behalf of a limousine motor carrier with which the transportation network company has entered into a contract pursuant to subsection 1, charge a fare for limousine services provided to a passenger by a limousine driver employed by the limousine motor carrier.
- 6. If a fare is charged, the transportation network company must disclose the rates charged by the transportation network company and the method by which the amount of a fare is calculated:
- (a) On an Internet website maintained by the transportation network company; or
- (b) Within the digital network or software application service of the transportation network company.
- 7. If a fare is charged, the transportation network company must offer to each passenger the option to receive, before the passenger enters the limousine of a limousine driver, an estimate of the amount of the fare that will be charged to the passenger.
- 8. A transportation network company may accept payment of a fare only electronically. A transportation network company or a limousine driver shall not solicit or accept eash as payment of a fare for limousine services provided pursuant to a contract entered into pursuant to subsection 1.
- 9.1 (b) Shall notify the transportation network company of any change in the status of the certificate of public convenience and necessity of the limousine motor carrier within 24 hours after the limousine motor carrier receives notice of or becomes aware of such a change.
- <u>4.</u> The fare charged for the transportation of a passenger by a limousine driver pursuant to a contract entered into pursuant to subsection 1 is subject to the excise tax imposed pursuant to NRS [372B.150] 372B.140 and exempt from the excise tax imposed pursuant to NRS [372B.140. For each occasion where limousine services are provided by a limousine driver pursuant to a contract entered into pursuant to subsection 1, the transportation network

company shall report to the limousine motor carrier any information necessary to calculate the amount of the excise tax due pursuant to NRSJ 372B.150.

Sec. 6. NRS 706A.020 is hereby amended to read as follows:

706A.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 706A.030 to 706A.060, inclusive, *and sections 2, 3 and 4 of this act*, have the meanings ascribed to them in those sections.

Sec. 7. NRS 706A.040 is hereby amended to read as follows:

706A.040 "Driver" [means]:

- 1. Means a natural person who:
- [1.] (a) Operates a motor vehicle that is owned, leased or otherwise authorized for use by the person; and
- [2.] (b) Enters into an agreement with a transportation network company to receive connections to potential passengers and related services from a transportation network company in exchange for the payment of a fee to the transportation network company.
- 2. Does not include a limousine driver who provides limousine services under a contract entered into pursuant to section 5 of this act.
 - **Sec. 8.** NRS 706A.075 is hereby amended to read as follows:
- 706A.075 1. Except as otherwise provided in subsection 2, the provisions of this chapter do not exempt any person from any law governing the operation of a motor vehicle upon the highways of this State.
- 2. A transportation network company which holds a valid permit issued by the Authority pursuant to this chapter, a driver who has entered into an agreement with such a company and a vehicle operated by such a driver are exempt from:
 - (a) The provisions of chapter 704 of NRS relating to public utilities; and
- (b) Except as otherwise provided in NRS 706.88396 [], and section 5 of this act, the provisions of chapter 706 of NRS,
- → to the extent that the services provided by the company or driver are within the scope of the permit.
 - **Sec. 9.** NRS 706A.110 is hereby amended to read as follows:
- 706A.110 1. A transportation network company shall not engage in business in this State unless the company holds a valid permit issued by the Authority pursuant to this chapter.
- 2. A driver shall not provide transportation services unless the company with which the driver is affiliated holds a valid permit issued by the Authority pursuant to this chapter.
- 3. The Authority is authorized and empowered to regulate, pursuant to the provisions of this chapter, all transportation network companies and drivers who operate or wish to operate within this State. Except as otherwise provided in NRS 706.88396 [-]; and section 5 of this act, the Authority shall not apply any provision of chapter 706 of NRS to a transportation network company or

a driver who operates within the provisions of this chapter and the regulations adopted pursuant thereto.

- **Sec. 10.** NRS 706A.130 is hereby amended to read as follows:
- 706A.130 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate a transportation network company, the Authority shall issue to the applicant within 30 days a permit to operate a transportation network company in this State.
- 2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:
- (a) Authorizes a transportation network company to connect one or more passengers through the use of a digital network or software application service to a driver who can provide transportation services.
- (b) Authorizes a transportation network company to make its digital network or software application service available to one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.
- (c) Except as otherwise provided in NRS 706.88396 [1] and section 5 of this act, does not authorize a transportation network company or any driver to engage in any activity otherwise regulated pursuant to chapter 706 of NRS other than the activity authorized by this chapter.
- 3. Nothing in this chapter prohibits the issuance of a permit to operate a transportation network company to a person who is regulated pursuant to chapter 706 of NRS if the person submits an application pursuant to NRS 706A.120 and meets the requirements for the issuance of a permit.
 - Sec. 11. NRS 706A.160 is hereby amended to read as follows:
- 706A.160 1. A transportation network company may enter into an agreement with one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.
- 2. Before a transportation network company allows a person to be connected to potential passengers using the digital network or software application service of the company pursuant to an agreement with the company, *except for a contract entered into pursuant to section 5 of this act*, the company must:
- (a) Require the person to submit an application to the company, which must include, without limitation:
 - (1) The name, age and address of the applicant.
 - (2) A copy of the driver's license of the applicant.
 - (3) A record of the driving history of the applicant.
- (4) A description of the motor vehicle of the applicant and a copy of the motor vehicle registration.
- (5) Proof that the applicant has complied with the requirements of NRS 485.185.

- (b) At the time of application and not less than once every 3 years thereafter, conduct or contract with a third party to conduct an investigation of the criminal history of the applicant, which must include, without limitation:
- (1) A review of a commercially available database containing criminal records from each state which are validated using a search of the primary source of each record.
- (2) A search of a database containing the information available in the sex offender registry maintained by each state.
- (c) At the time of application and not less than once every year thereafter, obtain and review a complete record of the driving history of the applicant.
- 3. A transportation network company may enter into an agreement with a driver if:
 - (a) The applicant is at least 19 years of age.
- (b) The applicant possesses a valid driver's license issued by the Department of Motor Vehicles unless the applicant is exempt from the requirement to obtain a Nevada driver's license pursuant to NRS 483.240.
- (c) The applicant provides proof that the motor vehicle operated by him or her is registered with the Department of Motor Vehicles unless the applicant is exempt from the requirement to register the motor vehicle in this State pursuant to NRS 482.385.
- (d) The applicant provides proof that the motor vehicle operated by him or her is operated and maintained in compliance with all applicable federal, state and local laws.
- (e) The applicant provides proof that he or she currently is in compliance with the provisions of NRS 485.185.
- (f) In the 3 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of three or more violations of the motor vehicle laws of this State or any traffic ordinance of any city or town, the penalty prescribed for which is a misdemeanor.
- (g) In the 3 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any violation of the motor vehicle laws of this State or any traffic ordinance of any city or town, the penalty prescribed for which is a gross misdemeanor or felony.
- (h) In the 7 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any violation of federal, state or local law prohibiting driving or being in actual physical control of a vehicle while under the influence of intoxicating liquor or a controlled substance.
- (i) In the 7 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any crime involving an act of terrorism, an act of violence, a sexual offense, fraud, theft, damage to property of another or the use of a motor vehicle in the commission of a felony.
- (j) The name of the applicant does not appear in the database searched pursuant to subparagraph (2) of paragraph (b) of subsection 2.

- 4. A driver shall, not later than 6 months after a transportation network company allows the driver to be connected to potential passengers using the digital network or software application service of the company pursuant to an agreement with the company and annually thereafter, on or before the anniversary date of that agreement, provide to the company verification that the driver holds a valid state business license pursuant to chapter 76 of NRS. Such verification may consist of the business identification number assigned by the Secretary of State to the driver upon compliance with the provisions of chapter 76 of NRS.
- 5. A transportation network company shall terminate an agreement with any driver who:
- (a) Fails to submit to the transportation network company a change in his or her address, driver's license or motor vehicle registration within 30 days after the date of the change.
- (b) Fails to immediately report to the transportation network company any change in his or her driving history or criminal history.
- (c) Refuses to authorize the transportation network company to obtain and review an updated complete record of his or her driving history not less than once each year and an investigation of his or her criminal history not less than once every 3 years.
- (d) Is determined by the transportation network company to be ineligible for an agreement pursuant to subsection 3 on the basis of any updated information received by the transportation network company.
 - (e) Fails to comply with the provisions of subsection 4.

Sec. 11.5. NRS 706A.170 is hereby amended to read as follows:

- 706A.170 1. In accordance with the provisions of this chapter, a transportation network company which holds a valid permit issued by the Authority pursuant to this chapter may, on behalf of a driver [-] or a limousine motor carrier with which the company has entered into a contract pursuant to section 5 of this act, charge a fare for transportation services or limousine services provided to a passenger by the driver [-] or limousine driver.
- 2. If a fare is charged, the company must disclose the rates charged by the company and the method by which the amount of a fare is calculated:
 - (a) On an Internet website maintained by the company; or
- (b) Within the digital network or software application service of the company.
- 3. If a fare is charged, the company must offer to each passenger the option to receive, before the passenger enters the motor vehicle of a driver <u>limousine of a limousine driver</u>, an estimate of the amount of the fare that will be charged to the passenger.
- 4. A transportation network company may accept payment of a fare only electronically. A transportation network company or a driver *or limousine driver when providing limousine services* shall not solicit or accept cash as payment of a fare.

- 5. A transportation network company shall not impose any additional charge for a driver who provides transportation services *or a limousine driver who provides limousine services* to a person with a physical disability because of the disability.
- 6. The Authority may adopt regulations establishing a maximum fare that may be charged during an emergency, as defined in NRS 414.0345.
 - **Sec. 12.** NRS 706A.200 is hereby amended to read as follows:
- 706A.200 For each instance in which a driver *or limousine driver* provides transportation services *or limousine services* to a passenger, the transportation network company which connected the passenger to the driver *or limousine driver* shall provide to the passenger, before the passenger enters the motor vehicle of a driver [1] *or limousine of a limousine driver*, a photograph of the driver *or limousine driver* who will provide the transportation services *or limousine services* and the license plate number of the motor vehicle operated by the driver [1] *or limousine operated by the limousine driver*. The information required by this section must be provided to the passenger:
 - 1. On an Internet website maintained by the company; or
- 2. Within the digital network or software application service of the company.
 - **Sec. 13.** NRS 706A.210 is hereby amended to read as follows:
- 706A.210 A transportation network company which connected a passenger to a driver *or limousine driver when providing limousine services* shall, within a reasonable period following the provision of transportation services *or limousine services* by the driver *or limousine driver* to the passenger, transmit to the passenger an electronic receipt, which must include, without limitation:
- 1. A description of the point of origin and the destination of the transportation services : or limousine services;
- 2. The total time for which transportation services *or limousine services* were provided;
 - 3. The total distance traveled; and
- 4. An itemization of the fare, if any, charged for the transportation services : *the or limousine services.*
 - **Sec. 14.** NRS 706A.250 is hereby amended to read as follows:
- 706A.250 1. Except as otherwise provided in this section, a transportation network company shall not disclose to any person the personally identifiable information of a passenger who received services from the company unless:
 - (a) The disclosure is otherwise required by law;
- (b) The company determines that disclosure is required to protect or defend the terms of use of the services or to investigate violations of those terms of use; or
 - (c) The passenger consents to the disclosure.

- 2. A transportation network company may disclose to a driver *or limousine driver when providing limousine services* the name and telephone number of a passenger for the purposes of facilitating correct identification of the passenger and facilitating communication between the driver *or limousine driver* and the passenger.
 - **Sec. 14.5.** NRS 706A.310 is hereby amended to read as follows:
- 706A.310 1. Except as otherwise provided in subsection 2, a local governmental entity shall not:
- (a) Impose any tax or fee on a transportation network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter, a driver *or limousine* [driver] motor carrier who has entered into an agreement with such a company or a vehicle operated by such a driver or by a limousine driver when providing limousine services or for transportation services or limousine services provided by such a driver [1] or limousine driver.
- (b) Require a transportation network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter to obtain from the local government any certificate, license or permit to operate within that scope or require a driver *or limousine* [driver] motor carrier who has entered into an agreement with such a company or a limousine driver when providing limousine services to obtain from the local government any certificate, license or permit to provide transportation services [-] or limousine services.
- (c) Impose any other requirement upon a transportation network company or a driver *or limousine driver when providing limousine services* which is not of general applicability to all persons who operate a motor vehicle within the jurisdiction of the local government.
 - 2. Nothing in this section:
- (a) Prohibits a local governmental entity from requiring a transportation network company [h] or driver [or limousine driver] to obtain from the local government a business license or to pay any business license fee in the same manner that is generally applicable to any other business that operates within the jurisdiction of the local government.
- (b) Prohibits an airport or its governing body from requiring a transportation network company *[,]* or a driver *for a limeusine driver [* to:
 - (1) Obtain a permit or certification to operate at the airport;
 - (2) Pay a fee to operate at the airport; or
 - (3) Comply with any other requirement to operate at the airport.
- (c) Exempts a vehicle operated by a driver *[or limousine driver]* from any tax imposed pursuant to NRS 354.705, 371.043 or 371.045.
- 3. The provisions of this chapter do not exempt any person from the requirement to obtain a state business license issued pursuant to chapter 76 of NRS. A transportation network company shall notify each driver *fand limousine driverf* of the requirement to obtain a state business license issued pursuant to chapter 76 of NRS and the penalties for failing to obtain a state business license.

Sec. 15. Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee, other than the Assembly Standing Committee on Ways and Means and the Senate Standing Committee on Finance, may vote on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after March 22, 2021.

Sec. 16. This act becomes effective on July 1, 2021.

Assemblywoman Monroe-Moreno moved that the Assembly concur in the Senate Amendment No. 558 to Assembly Bill No. 444.

Remarks by Assemblywoman Monroe-Moreno.

Motion carried by a constitutional majority.

The following Senate amendment was read:

Amendment No. 705.

AN ACT relating to limousines; authorizing a transportation network company to contract with a limousine motor carrier to provide limousine services through the use of the digital network or software application service of the transportation network company; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a transportation network company to enter into an agreement with one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company. (NRS 706A.160) Section 5 of this bill authorizes a transportation network company to enter into a contract with certain limousine motor carriers who hold a certificate of public convenience and necessity to operate a limousine to allow drivers employed by the limousine motor carrier to receive connections to potential passengers from the transportation network company in exchange for the payment of a fee by the limousine motor carrier. Section 5 requires a limousine motor carrier that has entered into such a contract to notify the transportation network company of any change in the status of the certificate of public convenience and necessity of the limousine motor carrier. Section 5 applies certain excise taxes imposed on transportation network companies to limousine services provided pursuant to a contract with a transportation network company. Sections 2-4 of this bill define terms relating to limousines.

Section 7 of this bill amends the term "driver" as used in the provisions of NRS governing transportation network companies to exclude a limousine driver providing limousine services pursuant to a contract between a transportation network company and a limousine motor carrier.

Sections 8-10 of this bill make conforming changes to reflect that a limousine driver and limousine motor carrier that provide limousine services pursuant to a contract with a transportation network company remain subject to the provisions of NRS governing motor carriers.

Existing law requires a transportation network company to obtain certain information concerning a driver before allowing the driver to be connected to potential passengers. (NRS 706A.160) **Section 11** of this bill exempts a limousine driver who is providing limousine services pursuant to an agreement with a limousine motor carrier from these requirements.

Section 11.5 of this bill authorizes a transportation network company to charge a fare on behalf of a limousine motor carrier for limousine services provided pursuant to a contract with the company and requires the method of calculating the fare and, if a passenger elects to receive it, an estimate of the fare to be disclosed by the transportation network company before the passenger enters the limousine of the limousine driver. **Section 11.5** also prohibits a limousine driver when providing limousine services from soliciting or accepting cash as payment of the fare.

Section 12 of this bill requires a transportation network company to transmit to a passenger a photo of the limousine driver who will be providing limousine services and the license plate of the limousine before the passenger enters the limousine.

Section 13 of this bill requires a transportation network company to transmit an electronic receipt to a passenger who receives limousine services through the transportation network company.

Section 14 of this bill authorizes a transportation network company to transmit the name and telephone number of a passenger to a limousine driver for the purposes of correctly identifying and communicating with the passenger.

Section 14.5 of this bill : (1) prohibits a local governmental entity, with certain exceptions, from imposing any tax or fee or imposing certain requirements on a limousine motor carrier that has entered into a contract with a transportation network company or [imposing certain other requirements on] a limousine driver when providing limousine services [-]; and (2) authorizes a local government or airport to require a limousine motor carrier that has entered into a contract with a transportation network company or a limousine driver who provides limousine services to obtain a local business license or comply with certain requirements to operate at the airport.

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

- **Section 1.** Chapter 706A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. "Limousine driver" means a person who has been issued a driver's permit by the Authority pursuant to NRS 706.462 and is employed or under a contract to operate a limousine for a limousine motor carrier.
- Sec. 3. "Limousine motor carrier" means a motor carrier who has obtained a certificate of public convenience and necessity to operate a

limousine which does not limit the number of limousines that the motor carrier is authorized to operate.

- Sec. 4. "Limousine services" means the transportation in a limousine by a limousine driver of one or more passengers between points chosen by the passenger or passengers and prearranged through the use of the digital network or software application service of a transportation network company. The term includes only the period beginning when a limousine driver accepts a request by a passenger for transportation through the digital network or software application service of a transportation network company and ending when the last such passenger fully disembarks from the limousine operated by the limousine driver.
- Sec. 5. 1. A transportation network company may enter into a contract with a limousine motor carrier whereby limousine drivers employed by the limousine motor carrier may receive connections to potential passengers and related services from a transportation network company in exchange for the payment of a fee by the limousine motor carrier to the transportation network company.
- 2. Notwithstanding any contract entered into pursuant to subsection 1, a limousine motor carrier shall not provide limousine services through a transportation network company unless the transportation network company holds a valid permit issued by the Authority pursuant to this chapter.
- 3. A limousine motor carrier which enters into a contract pursuant to subsection 1:
- (a) Remains subject to the provisions of chapter 706 of NRS and any regulations adopted pursuant thereto, including with respect to limousine services provided pursuant to a contract entered into pursuant to subsection 1.
- (b) Shall notify the transportation network company of any change in the status of the certificate of public convenience and necessity of the limousine motor carrier within 24 hours after the limousine motor carrier receives notice of or becomes aware of such a change.
- 4. The fare charged for the transportation of a passenger by a limousine driver pursuant to a contract entered into pursuant to subsection 1 is subject to the excise tax imposed pursuant to NRS 372B.140 and exempt from the excise tax imposed pursuant to NRS 372B.150.
 - **Sec. 6.** NRS 706A.020 is hereby amended to read as follows:
- 706A.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 706A.030 to 706A.060, inclusive, *and sections 2, 3 and 4 of this act*, have the meanings ascribed to them in those sections.
 - **Sec. 7.** NRS 706A.040 is hereby amended to read as follows:

706A.040 "Driver" [means]:

- 1. *Means* a natural person who:
- [1.] (a) Operates a motor vehicle that is owned, leased or otherwise authorized for use by the person; and

- [2.] (b) Enters into an agreement with a transportation network company to receive connections to potential passengers and related services from a transportation network company in exchange for the payment of a fee to the transportation network company.
- 2. Does not include a limousine driver who provides limousine services under a contract entered into pursuant to section 5 of this act.
 - **Sec. 8.** NRS 706A.075 is hereby amended to read as follows:
- 706A.075 1. Except as otherwise provided in subsection 2, the provisions of this chapter do not exempt any person from any law governing the operation of a motor vehicle upon the highways of this State.
- 2. A transportation network company which holds a valid permit issued by the Authority pursuant to this chapter, a driver who has entered into an agreement with such a company and a vehicle operated by such a driver are exempt from:
 - (a) The provisions of chapter 704 of NRS relating to public utilities; and
- (b) Except as otherwise provided in NRS 706.88396 [1] and section 5 of this act, the provisions of chapter 706 of NRS,
- → to the extent that the services provided by the company or driver are within the scope of the permit.
 - **Sec. 9.** NRS 706A.110 is hereby amended to read as follows:
- 706A.110 1. A transportation network company shall not engage in business in this State unless the company holds a valid permit issued by the Authority pursuant to this chapter.
- 2. A driver shall not provide transportation services unless the company with which the driver is affiliated holds a valid permit issued by the Authority pursuant to this chapter.
- 3. The Authority is authorized and empowered to regulate, pursuant to the provisions of this chapter, all transportation network companies and drivers who operate or wish to operate within this State. Except as otherwise provided in NRS 706.88396 [-]; and section 5 of this act, the Authority shall not apply any provision of chapter 706 of NRS to a transportation network company or a driver who operates within the provisions of this chapter and the regulations adopted pursuant thereto.
 - **Sec. 10.** NRS 706A.130 is hereby amended to read as follows:
- 706A.130 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate a transportation network company, the Authority shall issue to the applicant within 30 days a permit to operate a transportation network company in this State.
- 2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:
- (a) Authorizes a transportation network company to connect one or more passengers through the use of a digital network or software application service to a driver who can provide transportation services.

- (b) Authorizes a transportation network company to make its digital network or software application service available to one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.
- (c) Except as otherwise provided in NRS 706.88396 [], and section 5 of this act, does not authorize a transportation network company or any driver to engage in any activity otherwise regulated pursuant to chapter 706 of NRS other than the activity authorized by this chapter.
- 3. Nothing in this chapter prohibits the issuance of a permit to operate a transportation network company to a person who is regulated pursuant to chapter 706 of NRS if the person submits an application pursuant to NRS 706A.120 and meets the requirements for the issuance of a permit.
 - **Sec. 11.** NRS 706A.160 is hereby amended to read as follows:
- 706A.160 1. A transportation network company may enter into an agreement with one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.
- 2. Before a transportation network company allows a person to be connected to potential passengers using the digital network or software application service of the company pursuant to an agreement with the company, *except for a contract entered into pursuant to section 5 of this act*, the company must:
- (a) Require the person to submit an application to the company, which must include, without limitation:
 - (1) The name, age and address of the applicant.
 - (2) A copy of the driver's license of the applicant.
 - (3) A record of the driving history of the applicant.
- (4) A description of the motor vehicle of the applicant and a copy of the motor vehicle registration.
- (5) Proof that the applicant has complied with the requirements of NRS 485.185.
- (b) At the time of application and not less than once every 3 years thereafter, conduct or contract with a third party to conduct an investigation of the criminal history of the applicant, which must include, without limitation:
- (1) A review of a commercially available database containing criminal records from each state which are validated using a search of the primary source of each record.
- (2) A search of a database containing the information available in the sex offender registry maintained by each state.
- (c) At the time of application and not less than once every year thereafter, obtain and review a complete record of the driving history of the applicant.
- 3. A transportation network company may enter into an agreement with a driver if:
 - (a) The applicant is at least 19 years of age.

- (b) The applicant possesses a valid driver's license issued by the Department of Motor Vehicles unless the applicant is exempt from the requirement to obtain a Nevada driver's license pursuant to NRS 483.240.
- (c) The applicant provides proof that the motor vehicle operated by him or her is registered with the Department of Motor Vehicles unless the applicant is exempt from the requirement to register the motor vehicle in this State pursuant to NRS 482.385.
- (d) The applicant provides proof that the motor vehicle operated by him or her is operated and maintained in compliance with all applicable federal, state and local laws.
- (e) The applicant provides proof that he or she currently is in compliance with the provisions of NRS 485.185.
- (f) In the 3 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of three or more violations of the motor vehicle laws of this State or any traffic ordinance of any city or town, the penalty prescribed for which is a misdemeanor.
- (g) In the 3 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any violation of the motor vehicle laws of this State or any traffic ordinance of any city or town, the penalty prescribed for which is a gross misdemeanor or felony.
- (h) In the 7 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any violation of federal, state or local law prohibiting driving or being in actual physical control of a vehicle while under the influence of intoxicating liquor or a controlled substance.
- (i) In the 7 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any crime involving an act of terrorism, an act of violence, a sexual offense, fraud, theft, damage to property of another or the use of a motor vehicle in the commission of a felony.
- (j) The name of the applicant does not appear in the database searched pursuant to subparagraph (2) of paragraph (b) of subsection 2.
- 4. A driver shall, not later than 6 months after a transportation network company allows the driver to be connected to potential passengers using the digital network or software application service of the company pursuant to an agreement with the company and annually thereafter, on or before the anniversary date of that agreement, provide to the company verification that the driver holds a valid state business license pursuant to chapter 76 of NRS. Such verification may consist of the business identification number assigned by the Secretary of State to the driver upon compliance with the provisions of chapter 76 of NRS.
- 5. A transportation network company shall terminate an agreement with any driver who:
- (a) Fails to submit to the transportation network company a change in his or her address, driver's license or motor vehicle registration within 30 days after the date of the change.

- (b) Fails to immediately report to the transportation network company any change in his or her driving history or criminal history.
- (c) Refuses to authorize the transportation network company to obtain and review an updated complete record of his or her driving history not less than once each year and an investigation of his or her criminal history not less than once every 3 years.
- (d) Is determined by the transportation network company to be ineligible for an agreement pursuant to subsection 3 on the basis of any updated information received by the transportation network company.
 - (e) Fails to comply with the provisions of subsection 4.
 - **Sec. 11.5.** NRS 706A.170 is hereby amended to read as follows:
- 706A.170 1. In accordance with the provisions of this chapter, a transportation network company which holds a valid permit issued by the Authority pursuant to this chapter may, on behalf of a driver [-] or a limousine motor carrier with which the company has entered into a contract pursuant to section 5 of this act, charge a fare for transportation services or limousine services provided to a passenger by the driver [-] or limousine driver.
- 2. If a fare is charged, the company must disclose the rates charged by the company and the method by which the amount of a fare is calculated:
 - (a) On an Internet website maintained by the company; or
- (b) Within the digital network or software application service of the company.
- 3. If a fare is charged, the company must offer to each passenger the option to receive, before the passenger enters the motor vehicle of a driver [-] or *limousine of a limousine driver*, an estimate of the amount of the fare that will be charged to the passenger.
- 4. A transportation network company may accept payment of a fare only electronically. A transportation network company or a driver *or limousine driver when providing limousine services* shall not solicit or accept cash as payment of a fare.
- 5. A transportation network company shall not impose any additional charge for a driver who provides transportation services *or a limousine driver who provides limousine services* to a person with a physical disability because of the disability.
- 6. The Authority may adopt regulations establishing a maximum fare that may be charged during an emergency, as defined in NRS 414.0345.
 - **Sec. 12.** NRS 706A.200 is hereby amended to read as follows:
- 706A.200 For each instance in which a driver *or limousine driver* provides transportation services *or limousine services* to a passenger, the transportation network company which connected the passenger to the driver *or limousine driver* shall provide to the passenger, before the passenger enters the motor vehicle of a driver [-] *or limousine of a limousine driver*, a photograph of the driver *or limousine driver* who will provide the transportation services *or limousine services* and the license plate number of the motor vehicle operated by the driver [-] *or limousine operated by the*

limousine driver. The information required by this section must be provided to the passenger:

- 1. On an Internet website maintained by the company; or
- 2. Within the digital network or software application service of the company.
 - **Sec. 13.** NRS 706A.210 is hereby amended to read as follows:
- 706A.210 A transportation network company which connected a passenger to a driver *or limousine driver when providing limousine services* shall, within a reasonable period following the provision of transportation services *or limousine services* by the driver *or limousine driver* to the passenger, transmit to the passenger an electronic receipt, which must include, without limitation:
- 1. A description of the point of origin and the destination of the transportation services $\frac{1}{2}$ or limousine services;
- 2. The total time for which transportation services *or limousine services* were provided;
 - 3. The total distance traveled; and
- 4. An itemization of the fare, if any, charged for the transportation services : *the or limousine services.*
 - **Sec. 14.** NRS 706A.250 is hereby amended to read as follows:
- 706A.250 1. Except as otherwise provided in this section, a transportation network company shall not disclose to any person the personally identifiable information of a passenger who received services from the company unless:
 - (a) The disclosure is otherwise required by law;
- (b) The company determines that disclosure is required to protect or defend the terms of use of the services or to investigate violations of those terms of use; or
 - (c) The passenger consents to the disclosure.
- 2. A transportation network company may disclose to a driver *or limousine driver when providing limousine services* the name and telephone number of a passenger for the purposes of facilitating correct identification of the passenger and facilitating communication between the driver *or limousine driver* and the passenger.
 - **Sec. 14.5.** NRS 706A.310 is hereby amended to read as follows:
- 706A.310 1. Except as otherwise provided in subsection 2, a local governmental entity shall not:
- (a) Impose any tax or fee on a transportation network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter, a driver *for limousine motor earrierf* who has entered into an agreement with such a company *a limousine motor carrier that has entered into a contract with such a company pursuant to section 5 of this act for the provision of limousine services* or a vehicle operated by such a driver *or by a limousine driver when providing limousine services* or for transportation

services or limousine services provided by such a driver [-] or limousine driver.

- (b) Require a transportation network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter to obtain from the local government any certificate, license or permit to operate within that scope or require a driver <code>for limousine motor carrierf</code> who has entered into an agreement with such a company <code>, a limousine motor carrier who has entered into a contract with a transportation network company pursuant to section 5 of this act or a limousine driver when providing limousine services to obtain from the local government any certificate, license or permit to provide transportation services <code>[.]</code> or limousine services.</code>
- (c) Impose any other requirement upon a transportation network company or a driver , a limousine motor carrier who has entered into an agreement with a transportation network company pursuant to section 5 of this act or a limousine driver when providing limousine services which is not of general applicability to all persons who operate a motor vehicle within the jurisdiction of the local government.
 - 2. Nothing in this section:
- (a) Prohibits a local governmental entity from requiring a transportation network company [or], a driver, a limousine motor carrier that has entered into a contract with a transportation network company pursuant to section 5 of this act or a limousine driver who provides limousine services to obtain from the local government a business license or to pay any business license fee in the same manner that is generally applicable to any other business that operates within the jurisdiction of the local government.
- (b) Prohibits an airport or its governing body from requiring a transportation network company, [or] a driver, a limousine motor carrier that has entered into a contract with a transportation network company pursuant to section 5 of this act or a limousine driver who provides limousine services to:
 - (1) Obtain a permit or certification to operate at the airport;
 - (2) Pay a fee to operate at the airport; or
 - (3) Comply with any other requirement to operate at the airport.
- (c) Exempts a vehicle operated by a driver, a limousine motor carrier that has entered into a contract with a transportation network company pursuant to section 5 of this act or a limousine driver who provides limousine services from any tax imposed pursuant to NRS 354.705, 371.043 or 371.045.
- 3. The provisions of this chapter do not exempt any person from the requirement to obtain a state business license issued pursuant to chapter 76 of NRS. A transportation network company shall notify each driver of the requirement to obtain a state business license issued pursuant to chapter 76 of NRS and the penalties for failing to obtain a state business license.
- **Sec. 15.** Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee, other than the Assembly Standing Committee on Ways and Means and the Senate Standing Committee on Finance, may vote

on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after March 22, 2021.

Sec. 16. This act becomes effective on July 1, 2021.

Assemblywoman Monroe-Moreno moved that the Assembly concur in the Senate Amendment No. 705 to Assembly Bill No. 444.

Remarks by Assemblywoman Monroe-Moreno.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 326.

The following Senate amendment was read:

Amendment No. 586.

AN ACT relating to cannabis; authorizing a district attorney or city attorney to bring a civil action against a person for engaging in certain activities relating to cannabis without a license or registration card issued by the Cannabis Compliance Board; providing for the issuance by the Board of a cannabis establishment agent registration card for a cannabis receiver; setting forth certain requirements to obtain such a registration card; requiring the Board to adopt regulations relating to the activities of a holder of such a registration card with respect to a cannabis establishment that is subject to a receivership; authorizing the Board to adopt regulations governing the transfer of licenses which give a priority in processing such transfers to certain types of transfers; requiring advertising by a cannabis establishment to include the name and license number or other unique identifier of the cannabis establishment; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits a person from possessing, delivering or producing marijuana or paraphernalia, or aiding and abetting another in doing so, but creates an exemption from state prosecution for such crimes in certain circumstances for persons who are at least 21 years of age or hold a registry identification card, letter of approval, cannabis establishment agent registration card, adult-use cannabis establishment license or medical cannabis establishment license. A person who engages in activities relating to cannabis for which a license or registration card is required without the appropriate license or registration card does not qualify for such an exemption and is therefore subject to prosecution for such crimes. (NRS 453.316, 453.321, 453.336, 453.337, 453.339, 453.3393, 678C.200, 678D.200) Existing law additionally prohibits a person from engaging in the business of a medical cannabis establishment or adult-use cannabis establishment without a license issued by the Cannabis Compliance Board. (NRS 678B.210, 678B.250) If a licensee has violated the provisions of law relating to the regulation of cannabis, the Board may impose certain penalties, including the revocation of the license of the licensee and the imposition of a civil penalty. (NRS 678A.600) Section 1.5 of this bill provides that if a person engages in certain activities relating to cannabis without a license or registration card issued by the Board in violation of the provisions of existing law governing the regulation of cannabis, the district attorney or city attorney for the jurisdiction in which the violation occurred is authorized to bring an action against the person to recover a civil penalty of not more \$50,000 for each violation. **Section 1.5** also authorizes a district attorney or city attorney to bring an action to enjoin such violations.

Existing law prohibits a person from holding an ownership interest in a cannabis establishment of less than 5 percent, volunteering or working at, contracting to provide labor to or being employed by an independent contractor to provide labor to a cannabis establishment as a cannabis establishment agent unless the person has been issued a cannabis establishment agent registration card. (NRS 678B.340) Section 1.69 of this bill: (1) prohibits a person from acting as a receiver for a cannabis establishment subject to a receivership unless the person has been issued a cannabis establishment agent registration card for a cannabis receiver; and (2) sets forth certain requirements for a person to obtain such a card. Section 1.7 of this bill requires the Board to adopt regulations prescribing procedures and requirements by which a person who has been appointed by a court as a receiver and who has been issued a cannabis establishment agent registration card for a cannabis receiver may take possession of, manage the operations of and take any other action authorized by the court with respect to a cannabis establishment subject to a receivership. Section 1.7 requires such regulations to: (1) [set forth the qualifications for such a receiver; (2)] prescribe procedures and requirements for certain actions taken by a receiver; and $\frac{(3)}{(3)}$ (2) require a receiver to fobtain a cannabis establishment agent registration eard and comply with all fother applicable laws.

Section 1.73 of this bill provides that a cannabis establishment agent registration card for a cannabis receiver is a revocable privilege. Sections 1.76 and 1.79 of this bill prohibit the issuance of a medical cannabis establishment license or an adult-use cannabis establishment license, respectively, if any of the persons proposed to be owners, officers or board members of the establishment have previously had a cannabis establishment agent registration card for a cannabis receiver revoked. Section 2.2 of this bill requires the Board to adopt certain regulations relating to the issuance of such a card. Sections 2.4 and 2.8 of this bill provide an exemption from state prosecution for certain crimes relating to cannabis for a person who holds a valid cannabis establishment agent registration card for a cannabis receiver. Section 2.6 of this bill provides that the fact that a person possesses such a card does not, alone: (1) constitute probable cause to search the person or the person's property; or (2) subject the person or the person's property to inspection.

Existing law requires the Board to adopt regulations prescribing procedures and requirements by which the holder of a license issued by the Board may transfer the license to another qualified person. (NRS 678B.380) **Section 1.9**

of this bill authorizes such regulations to give priority in the processing of such a transfer to transfers in which the transferor is: (1) subject to a receivership; (2) involved in a recapitalization; or (3) a party to a court proceeding involving financial distress.

Under existing law, certain activities concerning advertising by a cannabis establishment are prohibited or required, such as prohibiting a cannabis establishment from engaging in advertising which contains a statement or illustration that is false or misleading and requiring advertising to contain a warning that cannabis is for use only by adults who are 21 years of age or older. (NRS 678B.520) **Section 2** of this bill requires that all advertising by a cannabis establishment contain: (1) the name of the cannabis establishment; and (2) the adult-use cannabis establishment license number or other unique identifier or the medical cannabis establishment license number or other unique identifier of the cannabis establishment. Section 2 authorizes a cannabis establishment that holds multiple licenses to satisfy such requirements by including in any advertising conducted by the cannabis establishment any one of the adult-use cannabis establishment license numbers or unique identifiers of the cannabis establishment license numbers or unique identifiers of the cannabis establishment license numbers or unique identifiers of the cannabis establishment.

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

Section 1. (Deleted by amendment.)

- Sec. 1.2. Chapter 678A of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.5 of this act.
- Sec. 1.3. <u>"Cannabis establishment agent registration card for a cannabis receiver" means a registration card issued by the Board pursuant to section 1.69 of this act.</u>
- Sec. 1.5. [Chapter 678A of NRS is hereby amended by adding thereto a new section to read as follows:]
- 1. A person who does not hold a license and who, in violation of the provisions of this title:
 - (a) Cultivates, delivers, transfers, supplies or sells cannabis; for
- (b) Manufacturers, delivers, transfers, supplies or sells cannabis products [] ; or
- (c) Advertises the sale of cannabis or cannabis products by the person,
- ⇒ is liable for a civil penalty of not more than \$50,000 to be recovered in an action brought by the district attorney or city attorney for the jurisdiction in which the violation occurred. Any civil penalty collected by a district attorney or city attorney pursuant to this section must be deposited in the county or city treasury, as applicable.
- 2. The district attorney or city attorney of any county or city, respectively, in which a person engages in any of the conduct described in subsection 1 in violation of the provisions of this title may bring an action to enjoin the violation.

Sec. 1.6. NRS 678A.010 is hereby amended to read as follows:

678A.010 As used in this title, unless the context otherwise requires, the words and terms defined in NRS 678A.020 to 678A.240, inclusive, *and* section 1.3 of this act have the meanings ascribed to them in those sections.

Sec. 1.63. NRS 678A.235 is hereby amended to read as follows:

678A.235 "Registration card" means:

- 1. A cannabis establishment agent registration card; [or]
- 2. A cannabis establishment agent registration card for a cannabis executive \Box ; or
- 3. A cannabis establishment agent registration card for a cannabis receiver.
- Sec. 1.66. Chapter 678B of NRS is hereby amended by adding thereto the provisions set forth as sections 1.69 and 1.7 of this act.
- Sec. 1.69. 1. In addition to the requirements set forth in NRS 678B.340, a person shall not act as a receiver for a cannabis establishment subject to a receivership unless the person first secures a cannabis establishment agent registration card for a cannabis receiver issued by the Board.
- 2. A person who wishes to act as a receiver for a cannabis establishment subject to a receivership shall submit to the Board an application on a form prescribed by the Board. The application must be accompanied by:
- (a) The name, address and date of birth of the applicant;
- (b) A statement signed by the applicant asserting that he or she has not previously had a cannabis establishment agent registration card for a cannabis receiver revoked;
- (c) A complete set of the fingerprints and written permission of the applicant authorizing the Board to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;
- (d) Any information required by the Board to complete an investigation into the background of the applicant;
- (e) Proof satisfactory to the Board that the applicant has:
 - (1) Experience in or knowledge of the cannabis industry;
 - (2) Experience as a receiver appointed by a court;
- (3) The knowledge and skills necessary to make reasonable financial decisions with respect to the finances of a cannabis establishment subject to a receivership; and
 - (4) Adequate financial capacity to fulfill the duties of a receiver;
- (f) The application fee, as set forth in NRS 678B.390; and
- (g) Such other information as the Board may require by regulation.
- 3. If the Board determines the applicant is qualified to receive a cannabis establishment agent registration card for a cannabis receiver pursuant to NRS 678B.200, the Board shall issue to the person a cannabis establishment agent registration card for a cannabis receiver.

- 4. A cannabis establishment agent registration card for a cannabis receiver expires 2 years after the date of issuance and may be renewed upon:
 - (a) Resubmission of the information set forth in this section; and
 - (b) Payment of the renewal fee set forth in NRS 678B.390.
- 5. A person to whom a cannabis establishment agent registration card for a cannabis receiver is issued or for whom such a registration card is renewed shall submit to the Board on the date of the first anniversary of the issuance or renewal an affidavit attesting that in the preceding year there has been no change in the information previously provided to the Board which would subject the person to disciplinary action by the Board.
- Sec. 1.7. [Chapter 678B of NRS is hereby amended by adding thereto a new section to read as follows:]

The Board shall adopt regulations which prescribe procedures and requirements by which a receiver appointed by a court who has been issued a cannabis establishment agent registration card for a cannabis receiver may take possession of, manage the operations of and take any other action authorized by a court with respect to a cannabis establishment subject to a receivership. Such regulations must, without limitation:

- 1. [Set forth the required qualifications for such a receiver, which must include, without limitation, requiring that the receiver have:
- (a) Experience in or knowledge of the cannabis industry:
- -(b) Experience as a receiver appointed by a court;
- (e) The knowledge and skills necessary to make reasonable financial decisions with respect to the finances of a cannabis establishment subject to a receivership; and
- (d) Adequate financial capacity to fulfill the duties of a receiver:
- -2.] Prescribe procedures and requirements for the management, liquidation, sale or transfer of a cannabis establishment subject to a receivership by such a receiver, including, without limitation, procedures and requirements for the transfer of a license by a receiver in accordance with the regulations adopted pursuant to NRS 678B.380; and
 - [3.] 2. Require such a receiver to \(\pm\)
- (a) Obtain a cannabis establishment agent registration eard; and
- (b) Comply] <u>comply</u> with all applicable provisions of this title and the regulations adopted pursuant thereto.

Sec. 1.73. NRS 678B.010 is hereby amended to read as follows:

678B.010 The Legislature hereby finds and declares that:

- 1. The purpose for licensing cannabis establishments and registering cannabis establishment agents is to protect the public health and safety and the general welfare of the people of this State.
 - 2. Anv:
- (a) Medical cannabis establishment license issued pursuant to NRS 678B.210;
- (b) Adult-use cannabis establishment license issued pursuant to NRS 678B.250;

- (c) Cannabis establishment agent registration card issued pursuant to NRS 678B.340; fand
- (d) Cannabis establishment agent registration card for a cannabis executive issued pursuant to NRS 678B.350 $\frac{[-1]}{[-1]}$; and

(e) Cannabis establishment agent registration card for a cannabis receiver issued pursuant to section 1.69 of this act,

is a revocable privilege and the holder of such a license or card, as applicable, does not acquire thereby any vested right.

Sec. 1.76. NRS 678B.210 is hereby amended to read as follows:

- 678B.210 1. A person shall not engage in the business of a medical cannabis establishment unless the person holds a medical cannabis establishment license issued by the Board pursuant to this section.
- 2. A person who wishes to engage in the business of a medical cannabis establishment must submit to the Board an application on a form prescribed by the Board.
- 3. Except as otherwise provided in NRS 678B.220, 678B.230 and 678B.240, not later than 90 days after receiving an application to engage in the business of a medical cannabis establishment, the Board shall register the medical cannabis establishment and issue a medical cannabis establishment license and a random 20-digit alphanumeric identification number if:
- (a) The person who wishes to operate the proposed medical cannabis establishment has submitted to the Board all of the following:
 - (1) The application fee, as set forth in NRS 678B.390;
 - (2) An application, which must include:
 - (I) The legal name of the proposed medical cannabis establishment;
- (II) The physical address where the proposed medical cannabis establishment will be located and the physical address of any co-owned additional or otherwise associated medical cannabis establishments, the locations of which may not be within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed medical cannabis establishment was submitted to the Board, within 300 feet of a community facility that existed on the date on which the application for the proposed medical cannabis establishment was submitted to the Board or, if the proposed medical cannabis establishment will be located in a county whose population is 100,000 or more, within 1,500 feet of an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed medical cannabis establishment was submitted to the Board;
- (III) Evidence that the applicant controls not less than \$250,000 in liquid assets to cover the initial expenses of opening the proposed medical cannabis establishment and complying with the provisions of this title;
- (IV) Evidence that the applicant owns the property on which the proposed medical cannabis establishment will be located or has the written

permission of the property owner to operate the proposed medical cannabis establishment on that property;

- (V) For the applicant and each person who is proposed to be an owner, officer or board member of the proposed medical cannabis establishment, a complete set of the person's fingerprints and written permission of the person authorizing the Board to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and
- (VI) The name, address and date of birth of each person who is proposed to be an owner, officer or board member of the proposed medical cannabis establishment;
- (3) Operating procedures consistent with rules of the Board for oversight of the proposed medical cannabis establishment, including, without limitation:
 - (I) Procedures to ensure the use of adequate security measures; and
- (II) The use of an electronic verification system and an inventory control system pursuant to NRS 678C.420 and 678C.430;
- (4) If the proposed medical cannabis establishment will sell or deliver medical cannabis products, proposed operating procedures for handling such products which must be preapproved by the Board;
- (5) If the city or county in which the proposed medical cannabis establishment will be located has enacted zoning restrictions, proof that the proposed location is in compliance with those restrictions and satisfies all applicable building requirements; and
 - (6) Such other information as the Board may require by regulation;
- (b) None of the persons who are proposed to be owners, officers or board members of the proposed medical cannabis establishment have been convicted of an excluded felony offense;
- (c) None of the persons who are proposed to be owners, officers or board members of the proposed medical cannabis establishment have:
- (1) Served as an owner, officer or board member for a cannabis establishment that has had its medical cannabis establishment license or adultuse cannabis establishment license revoked;
- (2) Previously had a cannabis establishment agent registration card revoked; [or]
- (3) Previously had a cannabis establishment agent registration card for a cannabis executive revoked; fand or

(4) Previously had a cannabis establishment agent registration card for a cannabis receiver revoked; and

- (d) None of the persons who are proposed to be owners, officers or board members of the proposed medical cannabis establishment are under 21 years of age.
- 4. For each person who submits an application pursuant to this section, and each person who is proposed to be an owner, officer or board member of a proposed medical cannabis establishment, the Board shall submit the fingerprints of the person to the Central Repository for Nevada Records of

Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of that person.

- 5. Except as otherwise provided in subsection 6, if an application for registration as a medical cannabis establishment satisfies the requirements of this section, is qualified in the determination of the Board pursuant to NRS 678B.200 and the establishment is not disqualified from being registered as a medical cannabis establishment pursuant to this section or other applicable law, the Board shall issue to the establishment a medical cannabis establishment license. A medical cannabis establishment license expires 1 year after the date of issuance and may be renewed upon:
 - (a) Submission of the information required by the Board by regulation; and
 - (b) Payment of the renewal fee set forth in NRS 678B.390.
- 6. In determining whether to issue a medical cannabis establishment license pursuant to this section, the Board shall consider the criteria of merit set forth in NRS 678B.240.
- 7. For the purposes of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3, the distance must be measured from the front door of the proposed medical cannabis establishment to the closest point of the property line of a school, community facility or gaming establishment.
 - 8. As used in this section, "community facility" means:
 - (a) A facility that provides day care to children.
 - (b) A public park.
 - (c) A playground.
 - (d) A public swimming pool.
- (e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.
- (f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.

Sec. 1.79. NRS 678B.250 is hereby amended to read as follows:

- 678B.250 1. A person shall not engage in the business of an adult-use cannabis establishment unless the person holds an adult-use cannabis establishment license issued pursuant to this section.
- 2. A person who wishes to engage in the business of an adult-use cannabis establishment must submit to the Board an application on a form prescribed by the Board.
- 3. Except as otherwise provided in NRS 678B.260, 678B.270 and 678B.280, the Board shall issue an adult-use cannabis establishment license to an applicant if:
- (a) The person who wishes to operate the proposed adult-use cannabis establishment has submitted to the Board all of the following:
 - (1) The application fee, as set forth in NRS 678B.390;
 - (2) An application, which must include:
 - (I) The legal name of the proposed adult-use cannabis establishment;
- (II) The physical address where the proposed adult-use cannabis establishment will be located and the physical address of any co-owned

additional or otherwise associated adult-use cannabis establishments, the locations of which may not be within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed adult-use cannabis establishment was submitted to the Board, within 300 feet of a community facility that existed on the date on which the application for the proposed adult-use cannabis establishment was submitted to the Board or, if the proposed adult-use cannabis establishment will be located in a county whose population is 100,000 or more, within 1,500 feet of an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed adult-use cannabis establishment was submitted to the Board;

- (III) Evidence that the applicant controls liquid assets in an amount determined by the Board to be sufficient to cover the initial expenses of opening the proposed adult-use cannabis establishment and complying with the provisions of this title;
- (IV) Evidence that the applicant owns the property on which the proposed adult-use cannabis establishment will be located or has the written permission of the property owner to operate the proposed adult-use cannabis establishment on that property;
- (V) For the applicant and each person who is proposed to be an owner, officer or board member of the proposed adult-use cannabis establishment, a complete set of the person's fingerprints and written permission of the person authorizing the Board to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and
- (VI) The name, address and date of birth of each person who is proposed to be an owner, officer or board member of the proposed adult-use cannabis establishment;
- (3) Operating procedures consistent with rules of the Board for oversight of the proposed adult-use cannabis establishment, including, without limitation:
 - (I) Procedures to ensure the use of adequate security measures; and
 - (II) The use of an inventory control system;
- (4) If the proposed adult-use cannabis establishment will sell or deliver adult-use cannabis products, proposed operating procedures for handling such products which must be preapproved by the Board; and
 - (5) Such other information as the Board may require by regulation;
- (b) None of the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis establishment have been convicted of an excluded felony offense;
- (c) None of the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis establishment have:

- (1) Served as an owner, officer or board member for a cannabis establishment that has had its adult-use cannabis establishment license or medical cannabis establishment license revoked;
- (2) Previously had a cannabis establishment agent registration card revoked; [or]
- (3) Previously had a cannabis establishment agent registration card for a cannabis executive revoked; [and] or

(4) Previously had a cannabis establishment agent registration card for a cannabis receiver revoked; and

- (d) None of the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis establishment are under 21 years of age.
- 4. For each person who submits an application pursuant to this section, and each person who is proposed to be an owner, officer or board member of a proposed adult-use cannabis establishment, the Board shall submit the fingerprints of the person to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of that person.
- 5. Except as otherwise provided in subsection 6, if an applicant for licensure to operate an adult-use cannabis establishment satisfies the requirements of this section, is qualified in the determination of the Board pursuant to NRS 678B.200 and is not disqualified from being licensed pursuant to this section or other applicable law, the Board shall issue to the applicant an adult-use cannabis establishment license. An adult-use cannabis establishment license expires 1 year after the date of issuance and may be renewed upon:
 - (a) Submission of the information required by the Board by regulation; and
 - (b) Payment of the renewal fee set forth in NRS 678B.390.
- 6. In determining whether to issue an adult-use cannabis license pursuant to this section, the Board shall consider the criteria of merit set forth in NRS 678B.280.
- 7. For the purposes of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3, the distance must be measured from the front door of the proposed adult-use cannabis establishment to the closest point of the property line of a school, community facility or gaming establishment.
 - 8. As used in this section, "community facility" means:
 - (a) A facility that provides day care to children.
 - (b) A public park.
 - (c) A playground.
 - (d) A public swimming pool.
- (e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.
- (f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.

- **Sec. 1.9.** NRS 678B.380 is hereby amended to read as follows:
- 678B.380 1. Except as otherwise provided by regulations adopted by the Board pursuant to subsection 2, the following are nontransferable:
 - (a) A cannabis establishment agent registration card.
- (b) A cannabis establishment agent registration card for a cannabis executive.
- (c) <u>A cannabis establishment agent registration card for a cannabis</u> receiver.
- (d) A medical cannabis establishment license.
- (d) An adult-use cannabis establishment license.
- 2. The Board shall adopt regulations which prescribe procedures and requirements by which a holder of a license may transfer the license to another party who is qualified to hold such a license pursuant to the provisions of this chapter. Such regulations may give priority in the processing of transfers of licenses to a transfer in which the transferor is:
 - (a) Subject to a receivership;
 - (b) Involved in a recapitalization; or
 - (c) A party to a court proceeding involving financial distress.
 - Sec. 2. NRS 678B.520 is hereby amended to read as follows:
- 678B.520 1. Each cannabis establishment shall, in consultation with the Board, cooperate to ensure that all cannabis products offered for sale:
 - (a) Are labeled clearly and unambiguously:
- (1) As cannabis or medical cannabis with the words "THIS IS A MEDICAL CANNABIS PRODUCT" or "THIS IS A CANNABIS PRODUCT," as applicable, in bold type; and
- (2) As required by the provisions of this chapter and chapters 678C and 678D of NRS.
- (b) Are not presented in packaging that contains an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the cannabis production facility which produced the product.
- (c) Are regulated and sold on the basis of the concentration of THC in the products and not by weight.
- (d) Are packaged and labeled in such a manner as to allow tracking by way of an inventory control system.
- (e) Are not packaged and labeled in a manner which is modeled after a brand of products primarily consumed by or marketed to children.
- (f) Are labeled in a manner which indicates the amount of THC in the product, measured in milligrams, and includes a statement that the product contains cannabis and its potency was tested with an allowable variance of the amount determined by the Board by regulation.
 - (g) Are not labeled or marketed as candy.
- 2. A cannabis production facility shall not produce cannabis products in any form that:
 - (a) Is or appears to be a lollipop.

- (b) Bears the likeness or contains characteristics of a real or fictional person, animal or fruit, including, without limitation, a caricature, cartoon or artistic rendering.
- (c) Is modeled after a brand of products primarily consumed by or marketed to children.
- (d) Is made by applying concentrated cannabis, as defined in NRS 453.042, to a commercially available candy or snack food item other than dried fruit, nuts or granola.
 - 3. A cannabis production facility shall:
- (a) Seal any cannabis product that consists of cookies or brownies in a bag or other container which is not transparent.
- (b) Affix a label to each cannabis product which includes without limitation, in a manner which must not mislead consumers, the following information:
 - (1) The words "Keep out of reach of children";
 - (2) A list of all ingredients used in the cannabis product;
 - (3) A list of all allergens in the cannabis product; and
 - (4) The total content of THC measured in milligrams.
- (c) Maintain a hand washing area with hot water, soap and disposable towels which is located away from any area in which cannabis products are cooked or otherwise prepared.
- (d) Require each person who handles cannabis products to restrain his or her hair, wear clean clothing and keep his or her fingernails neatly trimmed.
- (e) Package all cannabis products produced by the cannabis production facility on the premises of the cannabis production facility.
- 4. A cannabis establishment shall not engage in advertising that in any way makes cannabis or cannabis products appeal to children, including, without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.
- 5. Each cannabis sales facility shall offer for sale containers for the storage of cannabis and cannabis products which lock and are designed to prohibit children from unlocking and opening the container.
 - 6. A cannabis sales facility shall:
- (a) Include a written notification with each sale of cannabis or cannabis products which advises the purchaser:
 - (1) To keep cannabis and cannabis products out of the reach of children;
 - (2) That cannabis products can cause severe illness in children;
- (3) That allowing children to ingest cannabis or cannabis products or storing cannabis or cannabis products in a location which is accessible to children may result in an investigation by an agency which provides child welfare services or criminal prosecution for child abuse or neglect;
- (4) That the intoxicating effects of edible cannabis products may be delayed by 2 hours or more and users of edible cannabis products should initially ingest a small amount of the product, then wait at least 120 minutes before ingesting any additional amount of the product;

- (5) That pregnant women should consult with a physician before ingesting cannabis or cannabis products;
- (6) That ingesting cannabis or cannabis products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;
- (7) That cannabis or cannabis products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of cannabis or cannabis products; and
- (8) That ingestion of any amount of cannabis or cannabis products before driving may result in criminal prosecution for driving under the influence.
- (b) Enclose all cannabis and cannabis products in opaque, child-resistant packaging upon sale.
- 7. A cannabis sales facility shall allow any person who is at least 21 years of age to enter the premises of the cannabis sales facility.
- 8. If the health authority, as defined in NRS 446.050, where a cannabis production facility or cannabis sales facility which sells edible cannabis products is located requires persons who handle food at a food establishment to obtain certification, the cannabis production facility or cannabis sales facility shall ensure that at least one employee maintains such certification.
- 9. A cannabis production facility may sell a commodity or product made using hemp, as defined in NRS 557.160, or containing cannabidiol to a cannabis sales facility.
- 10. In addition to any other product authorized by the provisions of this title, a cannabis sales facility may sell:
- (a) Any commodity or product made using hemp, as defined in NRS 557.160;
- (b) Any commodity or product containing cannabidiol with a THC concentration of not more than 0.3 percent; and
 - (c) Any other product specified by regulation of the Board.
 - 11. A cannabis establishment:
- (a) Shall not engage in advertising which contains any statement or illustration that:
 - (1) Is false or misleading;
 - (2) Promotes overconsumption of cannabis or cannabis products;
 - (3) Depicts the actual consumption of cannabis or cannabis products; or
- (4) Depicts a child or other person who is less than 21 years of age consuming cannabis or cannabis products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any other depiction which is designed in any manner to be appealing to or encourage consumption of cannabis or cannabis products by a person who is less than 21 years of age.
- (b) Shall not advertise in any publication or on radio, television or any other medium if 30 percent or more of the audience of that medium is reasonably expected to be persons who are less than 21 years of age.
 - (c) Shall not place an advertisement:

- (1) Within 1,000 feet of a public or private school, playground, public park or library, but may maintain such an advertisement if it was initially placed before the school, playground, public park or library was located within 1,000 feet of the location of the advertisement;
- (2) On or inside of a motor vehicle used for public transportation or any shelter for public transportation;
- (3) At a sports event to which persons who are less than 21 years of age are allowed entry; or
- (4) At an entertainment event if it is reasonably estimated that 30 percent or more of the persons who will attend that event are less than 21 years of age.
- (d) Shall not advertise or offer any cannabis or cannabis product as "free" or "donated" without a purchase.
- (e) Shall ensure that all advertising by the cannabis establishment contains such warnings as may be prescribed by the Board, which must include, without limitation, the following words:
 - (1) "Keep out of reach of children"; and
 - (2) "For use only by adults 21 years of age and older."
- (f) Shall ensure that all advertising by the cannabis establishment contains:
 - (1) The name of the cannabis establishment; and
- (2) [The] Except as otherwise provided in subsection 12, the adult-use cannabis establishment license number or medical cannabis establishment license number of the cannabis establishment or any other unique identifier assigned to the cannabis establishment by the Board.
- 12. A cannabis establishment that holds more than one license may satisfy the requirement set forth in subparagraph (2) of paragraph (f) of subsection 11 if the cannabis establishment includes in all advertising conducted by the cannabis establishment:
- (a) Any one of the adult-use cannabis establishment license numbers or medical cannabis establishment license numbers of the cannabis establishment; or
- (b) Any one unique identifier assigned to the cannabis establishment by the Board.
- <u>13.</u> Nothing in subsection 11 shall be construed to prohibit a local government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an ordinance for the regulation of advertising relating to cannabis which is more restrictive than the provisions of subsection 11 relating to:
- (a) The number, location and size of signs, including, without limitation, any signs carried or displayed by a natural person;
- (b) Handbills, pamphlets, cards or other types of advertisements that are distributed, excluding an advertisement placed in a newspaper of general circulation, trade publication or other form of print media;
- (c) Any stationary or moving display that is located on or near the premises of a cannabis establishment; and

- (d) The content of any advertisement used by a cannabis establishment if the ordinance sets forth specific prohibited content for such an advertisement.
- [13.] 14. If a cannabis establishment engages in advertising for which it is required to determine the percentage of persons who are less than 21 years of age and who may reasonably be expected to view or hear the advertisement, the cannabis establishment shall maintain documentation for not less than 5 years after the date on which the advertisement is first broadcasted, published or otherwise displayed that demonstrates the manner in which the cannabis establishment determined the reasonably expected age of the audience for that advertisement.
- [14.] 15. In addition to any other penalties provided for by law, the Board may impose a civil penalty upon a cannabis establishment that violates the provisions of subsection 11 or [13] 14 as follows:
- (a) For the first violation in the immediately preceding 2 years, a civil penalty not to exceed \$1,250.
- (b) For the second violation in the immediately preceding 2 years, a civil penalty not to exceed \$2,500.
- (c) For the third violation in the immediately preceding 2 years, a civil penalty not to exceed \$5,000.
- (d) For the fourth violation in the immediately preceding 2 years, a civil penalty not to exceed \$10,000.
- [15.] 16. As used in this section, "motor vehicle used for public transportation" does not include a taxicab, as defined in NRS 706.124.

Sec. 2.2. NRS 678B.650 is hereby amended to read as follows:

- 678B.650 The Board shall adopt such regulations as it determines to be necessary or advisable to carry out the provisions of this chapter. Such regulations are in addition to any requirements set forth in statute and must, without limitation:
- 1. Prescribe the form and any additional required content of applications for licenses or registration cards issued pursuant to this chapter;
- 2. Establish procedures for the suspension or revocation of a license or registration card or other disciplinary action to be taken against a licensee or registrant;
- 3. Set forth rules pertaining to the safe and healthful operation of cannabis establishments, including, without limitation:
- (a) The manner of protecting against diversion and theft without imposing an undue burden on cannabis establishments or compromising the confidentiality of consumers and holders of registry identification cards and letters of approval, as those terms are defined in NRS 678C.080 and 678C.070, respectively;
 - (b) Minimum requirements for the oversight of cannabis establishments;
- (c) Minimum requirements for the keeping of records by cannabis establishments;

- (d) Provisions for the security of cannabis establishments, including without limitation, requirements for the protection by a fully operational security alarm system of each cannabis establishment; and
- (e) Procedures pursuant to which cannabis establishments must use the services of cannabis independent testing laboratories to ensure that any cannabis or cannabis product or commodity or product made from hemp, as defined in NRS 557.160, sold by a cannabis sales facility to an end user is tested for content, quality and potency in accordance with standards established by the Board;
- 4. Establish circumstances and procedures pursuant to which the maximum fees set forth in NRS 678B.390 may be reduced over time to ensure that the fees imposed pursuant to NRS 678B.390 are, insofar as may be practicable, revenue neutral;
- 5. Establish different categories of cannabis establishment agent registration cards, including, without limitation, criteria for issuance of a cannabis establishment agent registration card for a cannabis executive <u>and a cannabis establishment agent registration card for a cannabis receiver</u> and criteria for training and certification, for each of the different types of cannabis establishments at which such an agent may be employed or volunteer or provide labor as a cannabis establishment agent;
- 6. As far as possible while maintaining accountability, protect the identity and personal identifying information of each person who receives, facilitates or delivers services in accordance with this chapter;
- 7. Establish procedures and requirements to enable a dual licensee to operate a medical cannabis establishment and an adult-use cannabis establishment at the same location:
- 8. Determine whether any provision of this chapter or chapter 678C or 678D of NRS would make the operation of a cannabis establishment by a dual licensee unreasonably impracticable; and
- 9. Address such other matters as the Board deems necessary to carry out the provisions of this title.

Sec. 2.4. NRS 678C.200 is hereby amended to read as follows:

- 678C.200 1. Except as otherwise provided in this section and NRS 678C.300, a person who holds a valid registry identification card issued to the person pursuant to NRS 678C.230 or 678C.270 is exempt from state prosecution for:
 - (a) The possession, delivery or production of cannabis;
 - (b) The possession or delivery of paraphernalia;
- (c) Aiding and abetting another in the possession, delivery or production of cannabis;
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;
- (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and

- (f) Any other criminal offense in which the possession, delivery or production of cannabis or the possession or delivery of paraphernalia is an element.
- 2. In addition to the provisions of subsections 1 and 5, no person may be subject to state prosecution for constructive possession, conspiracy or any other criminal offense solely for being in the presence or vicinity of the medical use of cannabis in accordance with the provisions of this title.
- 3. The exemption from state prosecution set forth in subsection 1 applies only to the extent that a person who holds a registry identification card issued to the person pursuant to paragraph (a) of subsection 1 of NRS 678C.230 and the designated primary caregiver, if any, of such a person:
- (a) Engage in or assist in, as applicable, the medical use of cannabis in accordance with the provisions of this title as justified to mitigate the symptoms or effects of a person's chronic or debilitating medical condition; and
- (b) Do not, at any one time, collectively possess with another who is authorized to possess, deliver or produce more than:
 - (1) Two and one-half ounces of usable cannabis;
- (2) Twelve cannabis plants, irrespective of whether the cannabis plants are mature or immature; and
- (3) A maximum allowable quantity of cannabis products as established by regulation of the Board.
- The persons described in this subsection must ensure that the usable cannabis and cannabis plants described in this subsection are safeguarded in an enclosed, secure location.
- 4. If the persons described in subsection 3 possess, deliver or produce cannabis in an amount which exceeds the amount described in paragraph (b) of that subsection, those persons:
- (a) Are not exempt from state prosecution for the possession, delivery or production of cannabis.
- (b) May establish an affirmative defense to charges of the possession, delivery or production of cannabis, or any combination of those acts, in the manner set forth in NRS 678C.310.
- 5. A person who holds a valid medical cannabis establishment license issued to the person pursuant to NRS 678B.210_, [er] a valid cannabis establishment agent registration card issued to the person pursuant to NRS 678B.340_, [er] a valid cannabis establishment agent registration card for a cannabis executive issued pursuant to NRS 678B.350 or a valid cannabis establishment agent registration card for a cannabis receiver issued pursuant to section 1.69 of this act and who confines his or her activities to those authorized by this title, and the regulations adopted by the Board pursuant thereto, is exempt from state prosecution for:
 - (a) The possession, delivery or production of cannabis;
 - (b) The possession or delivery of paraphernalia;

- (c) Aiding and abetting another in the possession, delivery or production of cannabis:
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;
- (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
- (f) Any other criminal offense in which the possession, delivery or production of cannabis or the possession or delivery of paraphernalia is an element.
- 6. Notwithstanding any other provision of law and except as otherwise provided in this subsection, after a medical cannabis dispensary opens in the county of residence of a person who holds a registry identification card, including, without limitation, a designated primary caregiver, such a person is not authorized to cultivate, grow or produce cannabis. The provisions of this subsection do not apply if:
- (a) The person who holds the registry identification card was cultivating, growing or producing cannabis in accordance with state law on or before July 1, 2013;
- (b) All the medical cannabis dispensaries in the county of residence of the person who holds the registry identification card close or are unable to supply the quantity or strain of cannabis necessary for the medical use of the person to treat his or her specific medical condition;
- (c) Because of illness or lack of transportation, the person who holds the registry identification card is unable reasonably to travel to a medical cannabis dispensary; or
- (d) No medical cannabis dispensary was operating within 25 miles of the residence of the person who holds the registry identification card at the time the person first applied for his or her registry identification card.
- 7. As used in this section, "cannabis" includes, without limitation, cannabis products.

Sec. 2.6. NRS 678C.600 is hereby amended to read as follows:

- 678C.600 1. The fact that a person possesses a registry identification card or letter of approval issued to the person by the Division or its designee pursuant to NRS 678C.230 or 678C.270, a medical cannabis establishment license issued to the person by the Board or its designee pursuant to NRS 678B.210, a cannabis establishment agent registration card issued to the person by the Board or its designee pursuant to NRS 678B.340_, [or] a cannabis establishment agent registration card for a cannabis executive issued to the person by the Board or its designee pursuant to NRS 678B.350 or a cannabis establishment agent registration card for a cannabis receiver issued to the person by the Board pursuant to section 1.69 of this act does not, alone:
- (a) Constitute probable cause to search the person or the person's property; or
- (b) Subject the person or the person's property to inspection by any governmental agency.

- 2. Except as otherwise provided in this subsection, if officers of a state or local law enforcement agency seize cannabis, paraphernalia or other related property from a person engaged in, facilitating or assisting in the medical use of cannabis:
- (a) The law enforcement agency shall ensure that the cannabis, paraphernalia or other related property is not destroyed while in the possession of the law enforcement agency.
- (b) Any property interest of the person from whom the cannabis, paraphernalia or other related property was seized must not be forfeited pursuant to any provision of law providing for the forfeiture of property, except as part of a sentence imposed after conviction of a criminal offense.
 - (c) Upon:
 - (1) A decision not to prosecute;
 - (2) The dismissal of charges; or
 - (3) Acquittal,
- → the law enforcement agency shall, to the extent permitted by law, return to that person any usable cannabis, cannabis plants, paraphernalia or other related property that was seized. The provisions of this subsection do not require a law enforcement agency to care for live cannabis plants.

Sec. 2.8. NRS 678D.200 is hereby amended to read as follows:

- 678D.200 1. Except as otherwise provided in NRS 678D.300, a person who is 21 years of age or older is exempt from state prosecution for:
 - (a) The possession, delivery or production of cannabis;
 - (b) The possession or delivery of paraphernalia;
- (c) Aiding and abetting another in the possession, delivery or production of cannabis;
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;
- (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
- (f) Any other criminal offense in which the possession, delivery or production of cannabis or the possession or delivery of paraphernalia is an element.
- 2. In addition to the provisions of subsections 1 and 5, no person may be subject to state prosecution for constructive possession, conspiracy or any other criminal offense solely for being in the presence or vicinity of the adult use of cannabis in accordance with the provisions of this title.
- 3. The exemption from state prosecution set forth in subsection 1 applies only to the extent that a person:
 - (a) Is 21 years of age or older;
- (b) Is not employed by any agency or political subdivision of this State in a position which requires the person to be certified by the Peace Officers' Standards and Training Commission;
- (c) Engages in the adult use of cannabis in accordance with the provisions of this title;

- (d) Does not, at any one time, possess, deliver or produce more than:
 - (1) One ounce of usable cannabis;
 - (2) One-eighth of an ounce of concentrated cannabis;
- (3) Six cannabis plants, irrespective of whether the cannabis plants are mature or immature; and
- (4) A maximum allowable quantity of adult-use cannabis products as established by regulation of the Board;
 - (e) Cultivates, grows or produces not more than six cannabis plants:
- (1) Within an enclosed area that is not exposed to public view that is equipped with locks or other security devices which allow access only by an authorized person; and
- (2) At a residence or upon the grounds of a residence in which not more than 12 cannabis plants are cultivated, grown or produced;
- (f) Delivers 1 ounce or less of usable cannabis or one-eighth of an ounce or less of concentrated cannabis without remuneration to a person who is 21 years of age or older so long as such delivery is not advertised or promoted to the public; and
- (g) Assists another person who is 21 years of age or older in carrying out any of the acts described in paragraphs (a) to (f), inclusive.
- 4. If a person possesses, uses or produces cannabis in an amount which exceeds the amount set forth in paragraph (d) of subsection 3 or in any manner other than that set forth in subsection 3, the person is not exempt from state prosecution for the possession, delivery or production of cannabis.
- 5. A person who holds an adult-use cannabis establishment license issued to the person pursuant to NRS 678B.250, a cannabis establishment agent registration card issued to the person pursuant to NRS 678B.340_, [or] a cannabis establishment agent registration card for a cannabis executive issued to the person pursuant to NRS 678B.350_[-] or a cannabis establishment agent registration card for a cannabis receiver issued to the person pursuant to section 1.69 of this act, and confines his or her activities to those authorized by this title, and the regulations adopted by the Board pursuant thereto, is exempt from state prosecution for:
 - (a) The possession, delivery or production of cannabis;
 - (b) The possession or delivery of paraphernalia;
- (c) Aiding and abetting another in the possession, delivery or production of cannabis;
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;
- (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
- (f) Any other criminal offense in which the possession, delivery or production of cannabis or the possession or delivery of paraphernalia is an element.
- 6. The commission of any act by a person for which the person is exempt from state prosecution pursuant to this section must not be used as the basis

for the seizure or forfeiture of any property of the person or for the imposition of a civil penalty.

Sec. 3. This act becomes effective on July 1, 2021.

Assemblyman Yeager moved that the Assembly concur in the Senate Amendment No. 586 to Assembly Bill No. 326.

Remarks by Assemblyman Yeager.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 342.

The following Senate amendment was read:

Amendment No. 663.

SUMMARY—<u>{Makes various changes relating to offenders.}</u> Revises provisions relating to parole. (BDR 16-511)

AN ACT relating to **[offenders;] parole;** revising the frequency of the review of standards adopted by the State Board of Parole Commissioners relating to the granting and revocation of parole; **[revising previsions relating to the program of lifetime supervision of sex offenders;]** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the State Board of Parole Commissioners: (1) to adopt by regulation standards to assist the Board in determining whether to grant or revoke parole; and (2) to review the effectiveness of those standards on or before January 1 of each odd-numbered year. (NRS 213.10885) **Section 1** of this bill revises the frequency of the review of the standards adopted by the Board by providing that the standards must be reviewed at least once every 5 years.

Existing law provides that if a defendant is convicted of a sexual offense, the court is required to include in sentencing a special sentence of lifetime supervision, which commences after any period of probation or any term of imprisonment and any period of release on parole. (NRS 176.0931) Existing law also requires the Board: (1) to establish by regulation a program of lifetime supervision of sex offenders; and (2) to establish the conditions of lifetime supervision for each sex offender who is subject to lifetime supervision. Additionally, existing law provides that if a court issues a warrant for arrest for a violation of a condition of lifetime supervision, the court is required to cause notice of the issuance of the warrant to be transmitted to the Central Repository for Nevada Records of Criminal History within 3 business days. (NRS 213.1243)

—Section 2 of this bill: (1) provides that on and after July 1, 2021, the effective date of this bill, the Board will only be responsible for establishing the program of lifetime supervision and establishing the conditions of lifetime supervision for a sex offender who is sentenced before July 1, 2021; and (2) eliminates the requirement that the court cause notice of the issuance of a warrant for arrest

for a violation of a condition of lifetime supervision to be transmitted to the Central Repository within 3 business days.

Section 3 of this bill: (1) transfers from the Board to the sentencing court all the current duties and responsibilities relating to lifetime supervision of sex offenders for sex offenders sentenced on or after July 1, 2021; and (2) moves all related provisions governing lifetime supervision, such as the existing criminal penalties for intentionally removing or disabling an electronic monitoring device or for violating a condition of lifetime supervision, to the appropriate section of the Nevada Revised Statutes pertaining to imposition of the special sentence of lifetime supervision by the sentencing court. Section 3 provides that the sentencing court is responsible, on and after July 1, 2021, for establishing the conditions of lifetime supervision for a sex offender sentenced on or after July 1, 2021.

Existing law provides that a person sentenced to lifetime supervision may petition for release from lifetime supervision. For such a petition to be granted in addition to other requirements, the person must show that he or she is no likely to pose a threat to the safety of others if released from lifetime supervision, as determined by a person professionally qualified to conduct psychosexual evaluations. (NRS 176.0931) Section 3 allows a licensed clinical professional who has received training in the treatment of several original such a determination.

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

Section 1. NRS 213.10885 is hereby amended to read as follows:

- 213.10885 1. The Board shall adopt by regulation specific standards for each type of convicted person to assist the Board in determining whether to grant or revoke parole. The regulations must include standards for determining whether to grant or revoke the parole of a convicted person:
 - (a) Who committed a capital offense.
 - (b) Who was sentenced to serve a term of imprisonment for life.
- (c) Who was convicted of a sexual offense involving the use or threat of use of force or violence.
 - (d) Who was convicted as a habitual criminal.
 - (e) Who is a repeat offender.
 - (f) Who was convicted of any other type of offense.
- → The standards must be based upon objective criteria for determining the person's probability of success on parole.
- 2. In establishing the standards, the Board shall consider the information on decisions regarding parole that is compiled and maintained pursuant to NRS 213.10887 and all other factors which are relevant in determining the probability that a convicted person will live and remain at liberty without violating the law if parole is granted or continued. The other factors the Board considers must include, but are not limited to:
 - (a) The severity of the crime committed;

- (b) The criminal history of the person;
- (c) Any disciplinary action taken against the person while incarcerated;
- (d) Any previous parole violations or failures;
- (e) Any potential threat to society or to the convicted person; and
- (f) The length of his or her incarceration.
- 3. In determining whether to grant parole to a convicted person, the Board shall not consider whether the person has appealed the judgment of imprisonment for which the person is being considered for parole.
- 4. The standards adopted by the Board must provide for a greater punishment for a convicted person who has a history of repetitive criminal conduct or who commits a serious crime, with a violent crime considered the most serious, than for a convicted person who does not have a history of repetitive crimes and did not commit a serious crime.
- 5. The Board shall make available to the public a sample of the form the Board uses in determining the probability that a convicted person will live and remain at liberty without violating the law if parole is granted or continued.
- 6. [On or before January 1 of each odd numbered year,] At least once every 5 years, the Board shall review comprehensively the standards adopted by the Board. The review must include a determination of whether the standards are effective in predicting the probability that a convicted person will live and remain at liberty without violating the law if parole is granted or continued. If a standard is found to be ineffective, the Board shall not use that standard in its decisions regarding parole and shall adopt revised standards as soon as practicable after the review.
 - 7. The Board shall report to each regular session of the Legislature:
- (a) The number and percentage of the Board's decisions that conflicted with the standards;
- (b) The results and conclusions from the Board's review pursuant to subsection 6; and
- (c) Any changes in the Board's standards, policies, procedures, programs or forms that have been or will be made as a result of the review.
 - Sec. 2. [NRS 213.1243 is hereby amended to read as follows:
- 213.1243 1. The Board shall establish by regulation a program of lifetime supervision of sex offenders to commence after any period of probation or any term of imprisonment and any period of release on parole. The program must provide for the lifetime supervision of sex offenders by parole and probation officers.
- 2. Lifetime supervision shall be deemed a form of parole for:
- (a) The limited purposes of the applicability of the provisions of NRS 213.1076, subsection 9 of NRS 213.1095, NRS 213.1096 and subsection 2 of NRS 213.110 and
- (b) The purposes of the Interstate Compact for Adult Offender Supervision ratified, enacted and entered into by the State of Nevada pursuant to NRS 213.215.

- -3. Except as otherwise provided in subsection 9, the Board shall require as a condition of lifetime supervision that the sex offender reside at a location only if:
- (a) The residence has been approved by the parole and probation officer assigned to the person.
- (b) If the residence is a facility that houses more than three persons who have been released from prison, the facility is a facility for transitional living for released offenders that is licensed pursuant to chapter 449 of NRS.
- (e) The person keeps the parole and probation officer informed of his or her current address.
- 4. Except as otherwise provided in subsection 9, the Board shall require as a condition of lifetime supervision that the sex offender, unless approved by the parole and probation officer assigned to the sex offender and by a psychiatrist, psychologist or counselor treating the sex offender, if any, not knowingly be within 500 feet of any place, or if the place is a structure, within 500 feet of the actual structure, that is designed primarily for use by or for children, including, without limitation, a public or private school, a school bus stop, a center or facility that provides day care services, a video areade, an amusement park, a playground, a park, an athletic field or a facility for youth sports, or a motion picture theater. The provisions of this subsection apply only to a sex offender who is a Tier 3 offender.
- 5. Except as otherwise provided in subsection 9, if [a] the sex offender is convicted of a sexual offense listed in subsection 6 of NRS 213.1255 against a child under the age of 14 years, the sex offender is a Tier 3 offender and the sex offender is sentenced to lifetime supervision, the Board shall require as a condition of lifetime supervision that the sex offender:
- (a) Reside at a location only if the residence is not located within 1,000 feet of any place, or if the place is a structure, within 1,000 feet of the actual structure, that is designed primarily for use by or for children, including, without limitation, a public or private school, a school bus stop, a center or facility that provides day care services, a video areade, an amusement park, a playground, a park, an athletic field or a facility for youth sports, or a motion picture theater.
- (b) As deemed appropriate by the Chief, be placed under a system of active electronic monitoring that is capable of identifying his or her location and producing, upon request, reports or records of his or her presence near or within a crime scene or prohibited area or his or her departure from a specified geographic location.
- (e) Pay any costs associated with his or her participation under the system of active electronic monitoring, to the extent of his or her ability to pay.
- -6. A sex offender placed under the system of active electronic monitoring pursuant to subsection 5 shall:
- (a) Follow the instructions provided by the Division to maintain the electronic monitoring device in working order.

- (b) Report any incidental damage or defacement of the electronic monitoring device to the Division within 2 hours after the occurrence of the damage or defacement.
- (e) Abide by any other conditions set forth by the Division with regard to his or her participation under the system of active electronic monitoring.
- 7. Except as otherwise provided in this subsection, a person who intentionally removes or disables or attempts to remove or disable an electronic monitoring device placed on a sex offender pursuant to this section is guilty of a gross misdemeanor. The provisions of this subsection do not prohibit a person authorized by the Division from performing maintenance or repairs to an electronic monitoring device.
- 8. Except as otherwise provided in subsection 7, a sex offender who commits a violation of a condition imposed on him or her pursuant to the program of lifetime supervision is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.
- 9. The Board is not required to impose a condition pursuant to the program of lifetime supervision listed in subsections 3, 4 and 5 if the Board finds that extraordinary circumstances are present and the Board states those extraordinary circumstances in writing.
- —10. The Board shall require as a condition of lifetime supervision that the sex offender not have contact or communicate with a victim of the sexual offense or a witness who testified against the sex offender or solicit another person to engage in such contact or communication on behalf of the sex offender, unless approved by the Chief or his or her designee and a written agreement is entered into and signed.
- —11. The Board shall require as a condition of lifetime supervision, in addition to any other condition imposed pursuant to this section, that the sex offender:
- (a) Participate in and complete a program of professional counseling approved by the Division, unless, before commencing a program of lifetime supervision, the sex offender previously completed a program of professional counseling recommended or ordered by the Board or the court upon conviction of the sexual offense for which the sex offender will be placed under a program of lifetime supervision.
- (b) Not use aliases or fictitious names.
- (e) Not possess any sexually explicit material that is harmful to minors as defined in NRS 201-257.
- (d) Not enter, visit or patronize an establishment which offers a sexually related form of entertainment as its primary business.
- (e) Inform the parole and probation officer assigned to the sex offender of any post office box used by the sex offender.
- 12. If the sex offender is convicted of a sexual offense involving the use of the Internet, the Board shall require, in addition to any other condition

imposed pursuant to this section, that the sex offender not possess any electronic device capable of accessing the Internet and not access the Internet through any such device or any other means, unless the sex offender installs a device or subscribes to a service which enables the parole and probation officer assigned to the sex offender to regulate the sex offender's use of the Internet. The provisions of this subsection do not apply to a device used by a sex offender within the course and scope of his or her employment.

- —13. If the sex offender is convicted of a sexual offense involving the use of alcohol, cannabis or a controlled substance, the Board shall require, in addition to any other condition imposed pursuant to this section, that the sex offender participate in and complete a program of counseling pertaining to substance use disorders approved by the Division, unless, before commencing a program of lifetime supervision, the sex offender previously completed a program of counseling pertaining to substance use disorders recommended or ordered by the Board or the court upon conviction of the sexual offense for which the sex offender will be placed under a program of lifetime supervision.
- —14. [If a court issues a warrant for arrest for a violation of this section, the court shall cause to be transmitted, in the manner prescribed by the Central Repository for Nevada Records of Criminal History, notice of the issuance of the warrant for arrest in a manner which ensures that such notice is received by the Central Repository within 3 business days.
- -15.] For the purposes of prosecution of a violation by a sex offender of a condition imposed upon him or her pursuant to the program of lifetime supervision:
- (a) In which the violation occurred outside this State, the violation shall be deemed to have occurred in, and may only be prosecuted in, the county in which the court that imposed the sentence of lifetime supervision pursuant to NRS 176.0931 is located, regardless of whether the acts or conduct constituting the violation took place, in whole or in part, outside that county or outside this State: or
- (b) In which the violation occurred within this State, the violation shall be deemed to have occurred in, and may only be prosecuted in, the county in which the violation occurred.
- -15. The provisions of this section apply only to a sex offender who is sentenced before July 1, 2021. (Deleted by amendment.)
 - Sec. 3. [NRS 176.0931 is hereby amended to read as follows:
- -176.0931 1. If a defendant is convicted of a sexual offense, the court shall include in sentencing, in addition to any other penalties provided by law, a special sentence of lifetime supervision [.] that provides for the lifetime supervision of the defendant, as a sex offender, by parole and probation officers. The court shall, at the time of sentencing, impose the conditions of lifetime supervision in accordance with the provisions of this section.
- 2. The special sentence of lifetime supervision commences after any period of probation or any term of imprisonment and any period of release on parole. Lifetime supervision shall be deemed a form of parole for:

- (a) The limited purposes of the applicability of the provisions of NRS 213.1076, subsection 9 of NRS 213.1095, NRS 213.1096 and subsection 2 of NRS 213.110; and
- (b) The purposes of the Interstate Compact for Adult Offender Supervision ratified, enacted and entered into by the State of Nevada pursuant to NRS 213.215.
- 3. Except as otherwise provided in subsection 9, the court shall require as a condition of lifetime supervision that the sex offender reside at a location only if:
- (a) The residence has been approved by the parole and probation officer assigned to the person.
- (b) If the residence is a facility that houses more than three persons who have been released from prison, the facility is a facility for transitional living for released offenders that is licensed pursuant to chapter 449 of NRS.
- (e) The person keeps the parole and probation officer informed of his or her current address.
- 4. Except as otherwise provided in subsection 9, the court shall require as a condition of lifetime supervision that the sex offender, unless approved by the parole and probation officer assigned to the sex offender and by a psychiatrist, psychologist or counselor treating the sex offender, if any, not knowingly be within 500 feet of any place, or if the place is a structure, within 500 feet of the actual structure, that is designed primarily for use by or for children, including, without limitation, a public or private school, a school bus stop, a center or facility that provides day care services, a video areade, an amusement park, a playground, a park, an athletic field or a facility for youth sports, or a motion picture theater. The provisions of this subsection apply only to a sex offender who is a Tier 3 offender.
- 5. Except as otherwise provided in subsection 9, if the sex offender is convicted of a sexual offense listed in subsection 6 of NRS 213.1255 against a child under the age of 14 years, the sex offender is a Tier 3 offender and the sex offender is sentenced to lifetime supervision, the court shall require as a condition of lifetime supervision that the sex offender:
- (a) Reside at a location only if the residence is not located within 1,000 feet of any place, or if the place is a structure, within 1,000 feet of the actual structure, that is designed primarily for use by or for children, including, without limitation, a public or private school, a school bus stop, a center or facility that provides day care services, a video areade, an amusement park, a playground, a park, an athletic field or a facility for youth sports, or a motion picture theater.
- —(b) As deemed appropriate by the Chief, be placed under a system of active electronic monitoring that is capable of identifying his or her location and producing, upon request, reports or records of his or her presence near or within a crime scene or prohibited area or his or her departure from a specified geographic location.

- (c) Pay any costs associated with his or her participation under the system of active electronic monitoring, to the extent of his or her ability to pay.
- -6. A sex offender placed under the system of active electronic monitoring pursuant to subsection 5 shall:
- (a) Follow the instructions provided by the Division to maintain the electronic monitoring device in working order.
- (b) Report any incidental damage or defacement of the electronic monitoring device to the Division within 2 hours after the occurrence of the damage or defacement.
- (c) Abide by any other conditions set forth by the Division with regard to his or her participation under the system of active electronic monitoring.
- -7. Except as otherwise provided in this subsection, a person who intentionally removes or disables or attempts to remove or disable an electronic monitoring device placed on a sex offender pursuant to this section is guilty of a gross misdemeanor. The provisions of this subsection do not prohibit a person authorized by the Division from performing maintenance or repairs to an electronic monitoring device.
- -8. Except as otherwise provided in subsection 7, a sex offender who commits a violation of a condition imposed on him or her pursuant to the program of lifetime supervision is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.
- 9. The court is not required to impose a condition pursuant to the program of lifetime supervision listed in subsections 3, 4 and 5 if the court finds that extraordinary circumstances are present and the court states those extraordinary circumstances in writing.
- 10. The court shall require as a condition of lifetime supervision that the sex offender not have contact or communicate with a victim of the sexual offense or a witness who testified against the sex offender or solicit another person to engage in such contact or communication on behalf of the sex offender, unless approved by the Chief or his or her designee and a written agreement is entered into and signed.
- 11. The court shall require as a condition of lifetime supervision, in addition to any other condition imposed pursuant to this section, that the sex offender:
- (a) Participate in and complete a program of professional counseling approved by the Division, unless, before commencing a program of lifetime supervision, the sex offender previously completed a program of professional counseling recommended or ordered by the Board or the court upon conviction of the sexual offense for which the sex offender will be placed under a program of lifetime supervision.
- -(b) Not use aliases or fictitious names.
- (c) Not possess any sexually explicit material that is harmful to minors as defined in NRS 201-257.

- (d) Not enter, visit or patronize an establishment which offers a sexually related form of entertainment as its primary business.
- -(c) Inform the parole and probation officer assigned to the sex offender of any post office box used by the sex offender.
- 12. If the sex offender is convicted of a sexual offense involving the use of the Internet, the court shall require, in addition to any other condition imposed pursuant to this section, that the sex offender not possess any electronic device capable of accessing the Internet and not access the Internet through any such device or any other means, unless the sex offender installs a device or subscribes to a service which enables the parole and probation officer assigned to the sex offender to regulate the sex offender's use of the Internet. The provisions of this subsection do not apply to a device used by a sex offender within the course and scope of his or her employment.
- —13. If the sex offender is convicted of a sexual offense involving the use of alcohol, cannabis or a controlled substance, the court shall require, in addition to any other condition imposed pursuant to this section, that the sex offender participate in and complete a program of counseling pertaining to substance use disorders approved by the Division, unless, before commencing a program of lifetime supervision, the sex offender previously completed a program of counseling pertaining to substance use disorders recommended or ordered by the Board or the court upon conviction of the sexual offense for which the sex offender will be placed under a program of lifetime supervision.
- —14. For the purposes of prosecution of a violation by a sex offender of a condition imposed upon him or her pursuant to the program of lifetime supervision:
- (a) In which the violation occurred outside this State, the violation shall be deemed to have occurred in, and may only be prosecuted in, the county in which the court that imposed the sentence of lifetime supervision pursuant to this section is located, regardless of whether the acts or conduct constituting the violation took place, in whole or in part, outside that county or outside this State; or
- (b) In which the violation occurred within this State, the violation shall be deemed to have occurred in, and may only be prosecuted in, the county in which the violation occurred.
- 15. A person sentenced to lifetime supervision may petition the sentencing court [or the State Board of Parole Commissioners] for release from lifetime supervision. The sentencing court [or the Board] shall grant a petition for release from a special sentence of lifetime supervision if:
- (a) The person has complied with the requirements of the provisions of NRS 179D.010 to 179D.550, inclusive:
- (b) The person has not been convicted of an offense that poses a threat to the safety or well-being of others for an interval of at least 10 consecutive years

after the person's last conviction or release from incarceration, whichever occurs later; and

- (e) The person is not likely to pose a threat to the safety of others, as determined by a [person professionally qualified to conduct psychosexual evaluations,] licensed, clinical professional who has received training in the treatment of sex offenders, if released from lifetime supervision.
- [4.] 16. A person who is released from lifetime supervision pursuant to the provisions of subsection [3] 15 remains subject to the provisions for registration as a sex offender and to the provisions for community notification, unless the person is otherwise relieved from the operation of those provisions pursuant to the provisions of NRS 179D.010 to 179D.550, inclusive.
- [5.] 17. As used in this section:
- (a) "Board" means the State Board of Parole Commissioners.
- (b) "Chief" means the Chief Parole and Probation Officer.
- (c) "Offense that poses a threat to the safety or well-being of others" includes, without limitation:
- (1) An offense that involves:
- (I) A vietim less than 18 years of age;
 - (II) A crime against a child as defined in NRS 179D.0357;
- (III) A sexual offense as defined in NRS 170D 007:
 - (IV) A deadly weapon, explosives or a firearm;
 - (V) The use or threatened use of force or violence:
- (VI) Physical or mental abuse:
- (VII) Death or bodily injury;
- (VIII) An act of domestic violence:
 - (IX) Harassment, stalking, threats of any kind or other similar acts;
- (X) The foreible or unlawful entry of a home, building, structure, vehicle or other real or personal property; or
- (XI) The infliction or threatened infliction of damage or injury, in whole or in part, to real or personal property.
- (2) Any offense listed in subparagraph (1) that is committed in this State or another jurisdiction, including, without limitation, an offense prosecuted in:
 - (I) A tribal court.
- (II) A court of the United States or the Armed Forces of the United States.
- [(b) "Person professionally qualified to conduct psychosexual evaluations" has the meaning ascribed to it in NRS 176.133.
- (c)] (d) "Sex offender" means any person who has been or is convicted of a sexual offense.
- (c) "Sexual offense" means:
- (1) A violation of NRS 200.366, subsection 4 of NRS 200.400, NRS 200.710, 200.720, subsection 2 of NRS 200.730, NRS 201.180, 201.230, 201.450, 201.540 or 201.550 or paragraph (a) or (b) of subsection 4 or paragraph (a) or (b) of subsection 5 of NRS 201.560;
 - (2) An attempt to commit an offense listed in subparagraph (1); or

(3) An act of murder in the first or second degree, kidnapping in the first or second degree, false imprisonment, burglary or invasion of the home if the act is determined to be sexually motivated at a hearing conducted pursuant to NRS 175.547. (Deleted by amendment.)

Sec. 4. This act becomes effective on July 1, 2021.

Assemblyman Yeager moved that the Assembly concur in the Senate Amendment No. 663 to Assembly Bill No. 342.

Remarks by Assemblyman Yeager.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 405.

The following Senate amendment was read:

Amendment No. 495.

AN ACT relating to gaming; <u>revising provisions relating to the filing of certain information with the Nevada Gaming Control Board;</u> prohibiting certain acts relating to gaming; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Nevada Gaming Commission and the Nevada Gaming Control Board to administer state gaming licenses and manufacturer's, seller's and distributor's licenses and to perform various acts relating to the regulation and control of gaming. (NRS 463.140) Existing law also requires a licensee who participates in foreign gaming to file periodically certain documents, reports and other information with the Board. (NRS 463.710) Section 4.5 of this bill removes the requirement that a licensee file information about the accounting and internal control systems utilized in the foreign gaming operation and information about any amendments to the systems as soon as such amendments are made.

Existing law makes it unlawful for a person to engage in certain actions relating to gaming and provides that a person who engages in such actions is guilty of: (1) a category C felony for the first offense; and (2) a category B felony for a second or subsequent offense. (NRS 465.070, 465.088) **Section 5** of this bill makes it unlawful for a person to engage in any of the statutorily prescribed offenses relating to gaming: (1) through an agreement with certain persons; and (2) with the intent that such an agreement is made to use less than the best efforts of the person to win, judge, referee, manage, coach or officiate, to limit a margin of victory or to adversely affect the outcome of a sporting event.

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

Section 1. (Deleted by amendment.)

Sec. 2. (Deleted by amendment.)

- Sec. 3. (Deleted by amendment.)
- **Sec. 4.** (Deleted by amendment.)

Sec. 4.5. NRS 463.710 is hereby amended to read as follows:

- 463.710 Unless otherwise ordered by the Board or Commission, a licensee who participates in foreign gaming shall file with the Board:
 - 1. As soon as participation in foreign gaming begins <u>+</u>:
- (b) The systems of accounting and internal control utilized in the foreign gaming operation and any amendments to the systems as soon as made.]
- 2. Annual operational and regulatory reports describing compliance with regulations, procedures for audit, and procedures for surveillance relating to the foreign gaming operation.
- 3. Quarterly reports regarding any of the following information which is within the knowledge of the licensee:
- (a) Any changes in ownership or control of any interest in the foreign gaming operation;
- (b) Any changes in officers, directors or key employees of the foreign gaming operation;
- (c) All complaints, disputes, orders to show cause and disciplinary actions, related to gaming, instituted or presided over by an entity of the United States, a state or any other governmental jurisdiction concerning the foreign gaming operation;
- (d) Any arrest of an employee of the foreign gaming operation involving cheating or theft, related to gaming, in the foreign jurisdiction; and
- (e) Any arrest or conviction of an officer, director, key employee or owner of equity in the foreign gaming operation for an offense that would constitute a gross misdemeanor or felony in this state.
 - 4. Such other information as the Commission requires by regulation.
 - **Sec. 5.** NRS 465.070 is hereby amended to read as follows:
 - 465.070 It is unlawful for any person:
- 1. To alter or misrepresent the outcome of a game or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players.
- 2. To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome.
- 3. To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager contingent thereon, or to claim, collect or take an amount greater than the amount won.

- 4. Knowingly to entice or induce another to go to any place where a gambling game is being conducted or operated in violation of the provisions of this chapter, with the intent that the other person play or participate in that gambling game.
- 5. To place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.
- 6. To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets.
- 7. To manipulate, with the intent to cheat, any component of a gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.
- 8. To offer, promise or give anything of value to anyone for the purpose of influencing the outcome of a race, sporting event, contest or game upon which a wager may be made, or to place, increase or decrease a wager after acquiring knowledge, not available to the general public, that anyone has been offered, promised or given anything of value for the purpose of influencing the outcome of the race, sporting event, contest or game upon which the wager is placed, increased or decreased.
- 9. To change or alter the normal outcome of any game played on an interactive gaming system or the way in which the outcome is reported to any participant in the game.
- 10. To violate any provision of this section through any agreement with a player, participant, judge, referee, manager, coach or other official, if such an agreement is made with the intent for the player, participant, judge, referee, manager, coach or other official to use less than his or her best efforts to win, judge, referee, manage, coach or officiate, to limit a margin of victory or to adversely affect the outcome of a sporting event.
- **Sec. 6.** Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee, other than the Assembly Standing Committee on Ways and Means and the Senate Standing Committee on Finance, may vote on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after March 22, 2021.

Sec. 7. (Deleted by amendment.)

Assemblyman Yeager moved that the Assembly concur in the Senate Amendment No. 495 to Assembly Bill No. 405.

Remarks by Assemblyman Yeager.

Motion carried by a constitutional majority.

Bill ordered to enrollment

Assembly Bill No. 335.

The following Senate amendment was read:

Amendment No. 649.

AN ACT relating to redevelopment; revising the requirements for the submission of an employment plan for a redevelopment project located in certain cities; requiring a developer and certain businesses to submit progress reports related to redevelopment projects in certain cities; revising provisions relating to the termination of certain redevelopment plans; authorizing a community to exercise certain powers related to redevelopment; requiring the Nevada Commission on Minority Affairs to provide an analysis of employment plans and progress reports related to certain redevelopment projects; revising certain requirements for membership of the Southern Nevada Enterprise Community Advisory Board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each proposal for a redevelopment project undertaken in a redevelopment area of a city whose population is 500,000 or more (currently the City of Las Vegas), to include an employment plan which must include: (1) a description of the existing opportunities for employment within the area; (2) a projection of the effect that the redevelopment project will have on employment opportunities within the area; (3) a description of the manner in which an employer relocating a business into the area plans to employ certain persons, including persons who have a physical disability; (4) a description of the manner in which the developer will, in hiring for construction jobs for the project, use its best efforts to hire certain persons; and (5) a description of the manner in which each employer relocating a business into the area will use its best efforts to hire certain persons living within certain areas. (NRS 279.482)

Sections 2 and 5 of this bill reorganize existing requirements for an employment plan that apply to a redevelopment project undertaken in a redevelopment area of a city whose population is 500,000 or more (currently the City of Las Vegas). Section 2 requires the employment plan to include: (1) certain information about persons with any disability; and (2) a description of how the developer will seek the participation in the redevelopment project of local small business contractors and subcontractors who are licensed in this State and whose place of business is located within 100 miles of the project. Section 2 also requires that a redevelopment agency submit the employment plan to the Nevada Commission on Minority Affairs and the Southern Nevada Enterprise Community Board. Section 2 further provides that an employment plan is a public record.

Sections 3 and 4 of this bill require, respectively, developers and businesses that receive incentives from an agency for a redevelopment project undertaken in a redevelopment area of a city whose population is 500,000 or more (currently the City of Las Vegas) to submit progress reports on the employment plan to the agency. Sections 3 and 4 also require the progress

reports to be submitted by the agency to the Nevada Commission on Minority Affairs and the Southern Nevada Enterprise Community Board. **Sections 3** and 4 also provide that the progress reports are public records.

Section 6 of this bill provides that **sections 2-4** apply only to a redevelopment project undertaken in a redevelopment area of a city whose population is 500,000 or more (currently the City of Las Vegas).

Existing law requires, with certain exceptions, a redevelopment plan adopted on or after January 1, 1991, and any amendments to the plan to terminate not later than 30 years after the date on which the original redevelopment plan is adopted. (NRS 279.439) Section 4.3 of this bill requires that such a redevelopment plan, and any amendments to the plan, of a county whose population is 700,000 or more (currently Clark County) terminates not later than after 45 years after the date on which the original redevelopment plan is adopted.

Existing law authorizes a city to enact its own procedural ordinance and exercise certain powers related to redevelopment. (NRS 279.444) Section 4.7 of this bill allows a community, which is defined as a county or a city, to enact its own procedural ordinance and exercise such powers. (NRS 279.392)

Existing law requires a public agency that uses redevelopment funds for the design or construction of a redevelopment project being built as a public work in a redevelopment area of a city whose population is 500,000 or more (currently the City of Las Vegas) to submit an employment plan. (NRS 279.6094) **Section 7** of this bill provides that the employment plan must meet the requirements of **section 2**.

Section 8 of this bill requires the Nevada Commission on Minority Affairs to analyze the information provided in the employment plans and progress reports that it receives pursuant to **sections 2-4**.

The Southern Nevada Enterprise Community Infrastructure Improvement Act establishes the Southern Nevada Enterprise Community Board to carry out certain duties relating to the Southern Nevada Enterprise Community. Two of the nine members of the Board must be residents of the Community. (Sections 8 and 9 of chapter 407, Statutes of Nevada 2007, as amended by chapter 481, Statutes of Nevada 2009, at pages 2771-72) Section 9.5 of this bill provides instead that these two members of the Board must be persons who are residents of the Community or residents of an area that is located within 10 miles of the Community.

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

- **Section 1.** Chapter 279 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.
- Sec. 2. 1. Except as otherwise provided in NRS 279.6094, if an agency proposes to provide an incentive to a developer for a redevelopment project,

the proposal for the redevelopment project must include an employment plan. The employment plan must include:

- (a) A description of the existing opportunities for employment within the area:
- (b) A projection of the effect that the redevelopment project will have on opportunities for employment within the area;
- (c) A description of the manner in which an employer relocating a business into the area plans to employ persons living within the area of operation who:
 - (1) Are economically disadvantaged;
 - (2) Have any disability;
 - (3) Are members of racial minorities;
 - (4) Are veterans; or
 - (5) Are women; and
 - (d) A description of the manner in which:
- (1) The developer will seek the participation in the redevelopment project of local small business contractors and subcontractors who are licensed in this State and whose place of business is located within 100 miles of the project;
- (2) The developer will, in hiring for construction jobs for the project, use its best efforts to hire veterans and persons of all sexes and diverse ethnicities living within the redevelopment area, an area in the city for which the legislative body has adopted a specific plan for neighborhood revitalization or which is eligible for a community development block grant pursuant to 24 C.F.R. Part 570, or the Southern Nevada Enterprise Community; and
- (3) Each employer relocating a business into the area will use its best efforts to hire veterans and persons of all sexes and diverse ethnicities living within any of the areas described in subparagraph (2).
- 2. A description provided pursuant to paragraph (d) of subsection 1 must include an agreement by the developer or employer to offer and conduct training for the residents described in that paragraph or make a good faith effort to provide such training through a program of training that is offered by a governmental agency and reasonably available to the developer or employer.
- 3. The agency shall submit the employment plan within 30 days after receipt to:
- (a) The Nevada Commission on Minority Affairs created by NRS 232.852; and
- (b) If the redevelopment project is located within the Southern Nevada Enterprise Community, the Southern Nevada Enterprise Community Board. Upon request of the Board, a developer must present the employment plan to the Board.
- 4. An employment plan submitted to an agency pursuant to this section is a public record.

- Sec. 3. 1. A developer that receives an incentive from an agency for a redevelopment project shall submit to the agency a progress report on the employment plan submitted pursuant to section 2 of this act:
- (a) Not more than 120 days after the date on which the redevelopment project is 50 percent completed; and
- (b) Not more than 120 days after the completion of the redevelopment project.
- 2. A progress report submitted pursuant to subsection 1 must include, without limitation:
- (a) The number of persons who have worked on the redevelopment project who:
 - (1) Are economically disadvantaged;
 - (2) Have any disability;
 - (3) Are members of racial minorities;
 - (4) Are veterans; or
 - (5) Are women; and
- (b) The number of persons who have worked on the redevelopment project who are residents of an area described in subparagraph (2) of paragraph (d) of subsection 1 of section 2 of this act;
- (c) The number of local small business contractors and subcontractors who are licensed in this State and whose place of business is located within 100 miles of the redevelopment project who have worked on the redevelopment project; and
- (d) A comparison between the information presented in the progress report and the information contained in the original employment plan submitted for the project pursuant to section 2 of this act.
- 3. The agency shall submit a progress report received pursuant to this section within 30 days after receipt to:
- (a) The Nevada Commission on Minority Affairs created by NRS 232.852; and
- (b) If the redevelopment project is located within the Southern Nevada Enterprise Community, the Southern Nevada Enterprise Community Board. Upon request of the Board, a developer shall present the progress report to the Board.
 - 4. A progress report submitted pursuant to this section is a public record.
- Sec. 4. 1. A business that receives an incentive to relocate into the redevelopment area must submit to the agency a progress report not more than 120 days after the opening of the business and annually thereafter for the term during which the business is receiving the incentive.
- 2. A progress report submitted pursuant to subsection 1 must include, without limitation:
 - (a) The number of persons employed by the business who:
 - (1) Are economically disadvantaged;
 - (2) Have any disability;
 - (3) Are members of racial minorities;

- (4) Are veterans; or
- (5) Are women;
- (b) The number of persons employed by the business who are residents of an area described in subparagraph (2) of paragraph (d) of subsection 1 of section 2 of this act; and
- (c) A comparison between the information presented in the progress report and the information included in the original employment plan submitted for the project pursuant to section 2 of this act.
- 3. The agency shall submit a progress report received pursuant to this section within 30 days after receipt to:
- (a) The Nevada Commission on Minority Affairs created by NRS 232.852; and
- (b) If the redevelopment project is located within the Southern Nevada Enterprise Community, the Southern Nevada Enterprise Community Board. Upon request of the Board, a business must present the progress report to the Board.
 - 4. A report submitted pursuant to this section is a public record.

Sec. 4.3. NRS 279.439 is hereby amended to read as follows:

- 279.439 1. Except as otherwise provided in subsections 2, 3 and 4, a redevelopment plan adopted on or after January 1, 1991, and any amendments to the plan must terminate not later than 30 years after the date on which the original redevelopment plan is adopted.
- 2. If a redevelopment area includes any real property conveyed by the Federal Government which contains an abandoned mine or milling operation with open pits, large volumes of mine overburden and tailings piles and mill facility foundations, or a hazardous level of contaminants, a redevelopment plan adopted on or after January 1, 1991, and any amendments to the plan must terminate not later than 45 years after the date of the conveyance of the real property if:
- (a) Within 15 years after the date on which the original redevelopment plan is adopted, the State enters into one or more agreements, with respect to the real property conveyed by the Federal Government, for mine remediation and reclamation; and
- (b) Before entering into any agreement for mine remediation and reclamation, the State consults with the legislative body of the community in which the real property is located.
- 3. Except for a redevelopment area described in subsection 2, a redevelopment plan, and any amendments to the plan, adopted on or after January 1, 1991, by an agency of a <u>county whose population is 700,000 or more or a</u> city whose population is 220,000 or more but less than 500,000 located in a county whose population is 700,000 or more that meets the requirement of subsection 4 must terminate not later than 45 years after the date on which the original redevelopment plan is adopted.

4. A redevelopment plan, and any amendments to the plan, may terminate on the date prescribed by subsection 3 only if the legislative body adopts an extension of the redevelopment plan by ordinance.

Sec. 4.7. NRS 279.444 is hereby amended to read as follows:

- 279.444 1. As an alternative to the appointment of five members of the agency pursuant to NRS 279.440 and as an alternative to the procedures set forth in NRS 279.443, the legislative body may, at the time of the adoption of a resolution pursuant to NRS 279.428, or at any time thereafter, declare itself to be the agency, in which case, all the rights, powers, duties, privileges and immunities vested by this chapter in an agency are vested in the legislative body of the community. If the legislative body of a city declares itself to be the agency pursuant to this subsection, it may include the mayor of the city as part of the agency regardless of whether the mayor is a member of the legislative body.
- 2. A **[eity] community** may enact its own procedural ordinance and exercise the powers granted by this chapter.
- 3. An agency may delegate to a community any of the powers or functions of the agency with respect to the planning or undertaking of a redevelopment project in the area in which that community is authorized to act, and that community may carry out or perform those powers or functions for the agency.
 - **Sec. 5.** NRS 279.482 is hereby amended to read as follows:
- 279.482 1. An agency may obligate lessees or purchasers of property acquired in a redevelopment project to:
 - (a) Use the property for the purpose designated in the redevelopment plans.
- (b) Begin the redevelopment of the area within a period of time which the agency fixes as reasonable.
- (c) Comply with other conditions which the agency deems necessary to carry out the purposes of this chapter, including, without limitation, the provisions of an employment plan or a contract approved for a redevelopment project.
- 2. Except as otherwise provided in [NRS 279.6094,] section 2 of this act, as appropriate for the particular project, each proposal for a redevelopment project must also include an employment plan. The employment plan must include:
- (a) A description of the existing opportunities for employment within the area;
- (b) A projection of the effect that the redevelopment project will have on opportunities for employment within the area; *and*
- (c) A description of the manner in which an employer relocating a business into the area plans to employ persons living within the area of operation who:
 - (1) Are economically disadvantaged;
 - (2) Have [a physical] any disability;
 - (3) Are members of racial minorities;
 - (4) Are veterans; or
 - (5) Are women. [; and

- (d) For a redevelopment project undertaken in a redevelopment area of a city whose population is 500,000 or more, a description of the manner in which:
- (1) The developer will, in hiring for construction jobs for the project, use its best efforts to hire veterans and other persons of both sexes and diverse ethnicities living within the redevelopment area, an area in the city for which the legislative body has adopted a specific plan for neighborhood revitalization or which is eligible for a community development block grant pursuant to 24 C.F.R. Part 570, or the Southern Nevada Enterprise Community; and
- (2) Each employer relocating a business into the area will use its best efforts to hire veterans and other persons of both sexes and diverse ethnicities living within any of the areas described in subparagraph (1).
- 3. A description provided pursuant to paragraph (d) of subsection 2 must include an agreement by the developer or employer to offer and conduct training for the residents described in that paragraph or make a good faith effort to provide such training through a program of training that is offered by a governmental agency and reasonably available to the developer or employer.]
 - **Sec. 6.** NRS 279.6092 is hereby amended to read as follows:
- 279.6092 The provisions of NRS 279.6092 to 279.6099, inclusive, *and sections 2, 3 and 4 of this act,* apply only to a redevelopment project undertaken in a redevelopment area of a city whose population is 500,000 or more.
 - **Sec. 7.** NRS 279.6094 is hereby amended to read as follows:
- 279.6094 A public agency that uses redevelopment funds for the design or construction of a redevelopment project being built as a public work pursuant to chapter 338 of NRS shall submit an employment plan pursuant to [NRS 279.482.] section 2 of this act.
 - **Sec. 8.** NRS 232.860 is hereby amended to read as follows:
 - 232.860 The Commission shall, within the limits of available money:
- 1. Study matters affecting the social and economic welfare and well-being of minorities residing in the State of Nevada;
- 2. Collect and disseminate information on activities, programs and essential services available to minorities in the State of Nevada;
 - 3. Study the:
- (a) Availability of employment for minorities in this State, and the manner in which minorities are employed;
- (b) Manner in which minorities can be encouraged to start and manage their own businesses successfully; and
- (c) Availability of affordable housing, as defined in NRS 278.0105, for minorities;
- 4. In cooperation with the Nevada Equal Rights Commission, act as a liaison to inform persons regarding:
 - (a) The laws of this State that prohibit discriminatory practices; and
- (b) The procedures pursuant to which aggrieved persons may file complaints or otherwise take action to remedy such discriminatory practices;

- 5. To the extent practicable, strive to create networks within the business community between businesses that are owned by minorities and businesses that are not owned by minorities;
- 6. Analyze the information provided in the employment plans and reports for a redevelopment project submitted pursuant to sections 2, 3 and 4 of this act;
- 7. Advise the Governor on matters relating to minorities and of concern to minorities; and
 - [7.] 8. Recommend proposed legislation to the Governor.
 - **Sec. 9.** (Deleted by amendment.)
- Sec. 9.5. Section 8 of the Southern Nevada Enterprise Community Infrastructure Improvement Act, being chapter 407, Statutes of Nevada 2007, as amended by chapter 481, Statutes of Nevada 2009, at page 2771, is hereby amended to read as follows:
 - Sec. 8. 1. The Southern Nevada Enterprise Community Board is hereby created.
 - 2. The Board consists of nine members, appointed in consultation with residents of the Community, as follows:
 - (a) One member of the Nevada Congressional Delegation selected from among its membership or his or her designee;
 - (b) One member of the Assembly and one member of the Senate who represent the Community selected by the Legislative Commission;
 - (c) One member of the Clark County Board of County Commissioners selected from among its membership;
 - (d) One member of the Las Vegas City Council from among its membership;
 - (e) One member of the North Las Vegas City Council from among its membership:
 - (f) Two <u>persons who are</u> residents of the Community <u>I</u>, recommended and selected by the Stop the F Street Closure, LLC; or residents of an <u>area that is located within 10 miles of the Community;</u> and
 - (g) A representative of the private sector appointed by the Chamber of Commerce established in the Community.
 - 3. Each member of the Board serves for a term of 3 years. A vacancy on the Board 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 August 1 of each year. If a vacancy occurs in the office of Chair or Vice Chair, 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 City of Las Vegas shall provide administrative support for the Board.

Assemblyman Flores moved that the Assembly concur in the Senate Amendment No. 649 to Assembly Bill No. 335.

Remarks by Assemblyman Flores.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 385.

The following Senate amendment was read:

Amendment No. 719.

AN ACT relating to public employment; revising provisions relating to the compensation received by officers and employees of certain public bodies; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

With certain exceptions, this bill prohibits a public body from entering into an employment contract that entitles an officer or employee of the public body to receive: (1) any fringe benefit, unless the public body has adopted a policy authorizing all persons employed in a similar position to receive the benefit; (2) any bonus, unless the bonus is based on merit and awarded at a public meeting; and (3) certain wages or other payments upon the termination of the employment of the officer or employee for cause or resignation of the officer or employee when an investigation relating to his or her employment is pending. This bill also prescribes certain payments and benefits to which an officer or employee of a public body is entitled or remains entitled upon termination of employment. This bill exempts from these requirements employment contracts for officers and employees of the Nevada System of Higher Education and employment contracts that are negotiated pursuant to a collective bargaining agreement.

For the purposes of this bill, the term "public body" has the same meaning as in the Open Meeting Law. (NRS 241.015)

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

Section 1. Chapter 281 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Except as otherwise provided in this section, a public body shall not enter into an employment contract that entitles an officer or employee of the public body to receive:
- (a) Any fringe benefit, unless the public body has adopted a policy authorizing all persons employed by the public body in a similar position to receive the benefit.
- (b) Any bonus, unless the bonus is based on merit and awarded at a public meeting.
- (c) Upon the termination of the employment of the officer or employee for cause or the resignation of the officer or employee when an investigation relating to his or her employment is pending, any:

- (1) Wages in lieu of notice or administrative leave;
- (2) Salary, benefits or equivalent compensation, including, without limitation, severance pay;
 - (3) Bonus; or
 - (4) Other form of payment.
- 2. Upon the termination of the employment of an officer or employee of a public body, the person:
- (a) Must be paid for any portion of accumulated annual leave and compensatory time and unused sick leave authorized by law or policy of the public body.
- (b) Remains entitled to any pension or retirement benefit provided by the Public Employees' Retirement System or other retirement or pension program of which he or she is a member.
 - 3. Nothing in this section shall be construed to limit or prohibit:
 - (a) A person from:
- (1) Receiving compensation for past services upon his or her termination;
- (2) Bringing any cause of action for wrongful or unlawful acts committed against the person relating to his or her employment or termination; or
- (3) Accepting any legal or equitable relief awarded or recovered for wrongful or unlawful acts committed against the person relating to his or her employment or termination.
- (b) A public body from entering into an agreement to pay the cost of purchasing credit for service on behalf of an officer or employee pursuant to NRS 286.3007 or under any other retirement or pension program, if applicable.
 - 4. The provisions of this section do not apply to:
- (a) Any contract negotiated pursuant to a collective bargaining agreement.
 - (b) Officers and employees of the Nevada System of Higher Education.
- 5. As used in this section, "public body" has the meaning ascribed to it in NRS 241.015.
 - Sec. 2. (Deleted by amendment.)
- **Sec. 3.** The amendatory provisions of this act do not apply to a contract entered into before [Oetober] December 1, [2021,] 2022, but do apply to any renewal or extension of such a contract.

Sec. 4. This act becomes effective on December 1, 2022.

Assemblyman Flores moved that the Assembly concur in the Senate Amendment No. 719 to Assembly Bill No. 385.

Remarks by Assemblyman Flores.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 153.

The following Senate amendment was read:

Amendment No. 644.

AN ACT relating to public financial administration; clarifying that a local government may use any savings realized under a performance contract to make payments required under the performance contract; making a legislative declaration to encourage using agencies to utilize performance contracts to implement operating cost-savings measures; authorizing such agencies to request the reinvestment of savings realized under such performance contracts during the budgetary process; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes and sets forth the requirements for local governments to enter into performance contracts for the purchase and installation of operating cost-savings measures to reduce costs related to such matters as energy, water and the disposal of waste, and related labor costs. (NRS 332.300-332.440) Existing law authorizes a local government to reinvest any savings realized under a performance contract into operating cost-savings measures. (NRS 332.410) **Section 1** of this bill clarifies that a local government may also use such savings to make any payments required under the performance contract, including finance charges.

Existing law authorizes certain agencies in the Executive Department of the State Government, known as "using agencies," to enter into performance contracts for the purchase and installation of operating cost-savings measures to reduce costs related to such matters as energy, water and the disposal of waste, and related labor costs. (NRS 333A.010-333A.150) Section 2 of this bill makes a legislative declaration and states that it is the policy of the State to encourage, to the extent practicable, a using agency to: (1) utilize the provisions related to a performance contract to implement operating costsavings measures to reduce costs related to energy, water or the disposal of waste; [, or related labor costs;] and (2) continually review whether the using agency could utilize a performance contract to implement operating costsavings measures to reduce costs related to energy, water or the disposal of waste. [, or related labor costs.] Section 3 of this bill authorizes such an agency to request the reinvestment of savings realized under such a performance contract as part of the process for the preparation of the proposed budget of the Executive Department.

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

Section 1. NRS 332.410 is hereby amended to read as follows:

332.410 A local government may {reinvest} use any savings realized {under} throughout the term of a performance contract {whenever practical} to:

- 1. Make any payments required under the performance contract, including, without limitation, the payment of finance charges; and
- 2. **Reinvest** into other operating cost-savings measures provided the local government:
- [1.] (a) Is satisfying all its other obligations under the performance contract; and
- [2.] (b) Complies with the requirements of NRS 332.300 to 332.440, inclusive, when reinvesting the savings into other operating cost-savings measures.
- **Sec. 2.** Chapter 333A of NRS is hereby amended by adding thereto a new section to read as follows:

The Legislature hereby declares that it is the policy of this State to encourage, to the extent practicable, a using agency to:

- 1. Utilize the process set forth in this chapter to implement any operating cost-savings measure to reduce costs related to energy, water or the disposal of waste: f, or related labor costs; and
- 2. Continually review whether the using agency could utilize the process set forth in this chapter to implement any operating cost-savings measure to reduce costs related to energy, water or the disposal of waste. If, or related labor costs.
 - **Sec. 3.** NRS 353.210 is hereby amended to read as follows:
- 353.210 1. Except as otherwise provided in subsections 6 and 7, on or before September 1 of each even-numbered year, all departments, institutions and other agencies of the Executive Department of the State Government, and all agencies of the Executive Department of the State Government receiving state money, fees or other money under the authority of the State, including those operating on money designated for specific purposes by the Nevada Constitution or otherwise, shall prepare, on blanks furnished them by the Chief, and submit to the Chief:
- (a) The number of full-time equivalent positions within the department, institution or agency.
- (b) The number of full-time equivalent positions within the department, institution or agency that have been vacant for at least 12 months, the number of months each such position has been vacant and the reasons for each such vacancy.
- (c) Any existing contracts for services the department, institution or agency has with temporary employment services or other persons, the proposed expenditures for such contracts in the next 2 fiscal years and the reasons for the use of such services. If such contracts include any privatization contracts, a copy of each of those privatization contracts together with:
 - (1) A statement specifying the duration of the privatization contracts;
- (2) The number of privatization contracts proposed for the next 2 fiscal years and the estimated expenditures for the privatization contracts; and
- (3) An analysis of each of the privatization contracts, which includes, without limitation:

- (I) For the preceding, current and next fiscal years, the annual amount required to perform each of the privatization contracts; and
- (II) For the preceding and current fiscal years, the number of persons the department, institution or agency employed pursuant to the privatization contracts, reflected as the equivalent full-time position if the persons were regularly employed by the department, institution or agency, including the equivalent hourly wage and the cost of benefits for each job classification.
- (d) If the department, institution or agency has any existing performance contracts that it has entered into pursuant to chapter 333A of NRS, any request to reinvest any savings realized under such a contract for the next 2 fiscal years.
- (e) Estimates of expenditure requirements of the department, institution or agency, together with all anticipated income from fees and all other sources, for the next 2 fiscal years compared with the corresponding figures of the last completed fiscal year and the estimated figures for the current fiscal year.
- 2. The Chief shall direct that one copy of the forms submitted pursuant to subsection 1, accompanied by every supporting schedule and any other related material, be delivered directly to the Fiscal Analysis Division of the Legislative Counsel Bureau on or before September 1 of each even-numbered year.
- 3. The Budget Division of the Office of Finance shall give advance notice to the Fiscal Analysis Division of the Legislative Counsel Bureau of any conference between the Budget Division of the Office of Finance and personnel of other state agencies regarding budget estimates. A Fiscal Analyst of the Legislative Counsel Bureau or his or her designated representative may attend any such conference.
- 4. The estimates of expenditure requirements submitted pursuant to subsection 1 must be classified to set forth the data of funds, organizational units, and the character and objects of expenditures by program or budgetary account and by category of expense, and must include a mission statement and measurement indicators in adequate detail to comply with the requirements of subparagraph (3) of paragraph (b) of subsection 1 of NRS 353.205. The organizational units may be subclassified by functions and by agencies, bureaus or commissions, or in any other manner at the discretion of the Chief.
- 5. If any department, institution or other agency of the Executive Department of the State Government, whether its money is derived from state money or from other money collected under the authority of the State, fails or neglects to submit estimates of its expenditure requirements as provided in this section, the Chief may, from any data at hand in the Chief's office or which the Chief may examine or obtain elsewhere, make and enter a proposed budget for the department, institution or agency in accordance with the data.
- 6. Agencies, bureaus, commissions and officers of the Legislative Department, the Public Employees' Retirement System and the Judicial Department of the State Government shall submit to the Chief for his or her

information in preparing the proposed executive budget the budgets which they propose to submit to the Legislature.

- 7. On or before September 1 of each even-numbered year, the Tahoe Regional Planning Agency shall submit the budget which the Agency proposes to submit to the Legislature to:
- (a) The Chief for his or her information in preparing the proposed executive budget.
 - (b) The Fiscal Analysis Division of the Legislative Counsel Bureau.
- 8. The information provided by a department, institution or agency pursuant to paragraph (c) of subsection 1 is a public record and must be open to public inspection.
- 9. As used in this section, "privatization contract" means a contract executed by or on behalf of a department, institution or agency which authorizes a private entity to provide public services which are:
- (a) Substantially similar to the services performed by the public employees of the department, institution or agency; and
- (b) In lieu of the services otherwise authorized or required to be provided by the department, institution or agency.
 - **Sec. 4.** This act becomes effective on July 1, 2021.

Assemblyman Flores moved that the Assembly concur in the Senate Amendment No. 644 to Assembly Bill No. 153.

Remarks by Assemblyman Flores.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 211.

The following Senate amendment was read:

Amendment No. 646.

SUMMARY—{Establishes provisions relating to a plan to address impacts to wildlife.} Revises provisions relating to land use planning. (BDR 22-795)

AN ACT relating to land use planning; requiring , with certain exceptions, a copy of the tentative map of the design of a proposed subdivision of land to be forwarded to the Department of Wildlife for review; revising the factors that are considered before taking final action on a tentative map; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth an approval process for the subdivision of land that requires a subdivider of land to submit a tentative map to the planning commission or governing body of a county or city, as applicable. (NRS 278.330) Existing law also requires the tentative map to be forwarded to certain state agencies and local governments for review. (NRS 278.335)

Section 1.5 of this bill requires the tentative map to be forwarded to the Department of Wildlife for review unless: (1) the governing body has adopted a habitat conservation plan for multiple species that includes a determination of the impact to wildlife and wildlife habitat and the habitat conservation plan

was approved by the United States Fish and Wildlife Service [-]; or (2) the proposed subdivision is infill development which is proposed on a vacant or substantially vacant tract of land that is surrounded by land that is already developed. Section 1.2 of this bill authorizes the Board of Wildlife Commissioners to establish by regulation certain fees for the review of a tentative map by the Department. Section 2.5 of this bill makes a conforming change related to the requirement in section 1.2 to deposit such fees in the Wildlife Account in the State General Fund.

Existing law requires a governing body or planning commission to consider certain factors before taking final action on a tentative map. (NRS 278.349) **Section 2** of this bill additionally requires the governing body or planning commission to consider the potential impact to wildlife and wildlife habitat before taking final action on a tentative map.

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

Section 1. (Deleted by amendment.)

- **Sec. 1.2.** Chapter 278 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Board of Wildlife Commissioners may establish by regulation reasonable fees for the review of a tentative map by the Department of Wildlife pursuant to NRS 278.335. The amount of such fees for the Department to review a tentative map must not exceed a flat fee of \$250 plus an additional fee of not more than \$5 per acre shown on the tentative map.
- 2. All fees collected pursuant to subsection 1 must be deposited in the Wildlife Account in the State General Fund pursuant to NRS 501.356.
- 3. The Board of Wildlife Commissioners may adopt any other regulations necessary for the Department of Wildlife to carry out its duties pursuant to NRS 278.335.
 - Sec. 1.3. NRS 278.010 is hereby amended to read as follows:
- 278.010 As used in NRS 278.010 to 278.630, inclusive, *and section 1.2 of this act* unless the context otherwise requires, the words and terms defined in NRS 278.0103 to 278.0195, inclusive, have the meanings ascribed to them in those sections.
 - **Sec. 1.5.** NRS 278.335 is hereby amended to read as follows:
- 278.335 1. A copy of the tentative map must be forwarded by the planning commission or its designated representative, or if there is no planning commission, the clerk or other designated representative of the governing body, for review to:
- (a) The Division of Water Resources and the Division of Environmental Protection of the State Department of Conservation and Natural Resources .
- (b) The district board of health acting for the Division of Environmental Protection pursuant to subsection 2. [; and]

- (c) If the subdivision is subject to the provisions of NRS 704.6672, the Public Utilities Commission of Nevada.
- (d) Except as otherwise provided in this paragraph, the Department of Wildlife. This paragraph does not apply if fthel:
- (1) The governing body has adopted a habitat conservation plan for multiple species of wildlife that evaluates the potential impacts to wildlife and wildlife habitats from the development of land, including, without limitation, any determination of impact to wildlife and wildlife habitat required pursuant to federal law, and the habitat conservation plan has been approved by the United States Fish and Wildlife Service [+]; or
- (2) The proposed subdivision is infill development which is proposed on a vacant or substantially vacant tract of land that is surrounded by land that is already developed.
- 2. In a county whose population is 100,000 or more, if the county and one or more incorporated cities in the county have established a district board of health, the authority of the Division of Environmental Protection to review and certify proposed subdivisions and to conduct construction or installation inspections must be exercised by the district board of health.
- 3. A district board of health which conducts reviews and inspections under this section shall consider all the requirements of the law concerning sewage disposal, water pollution, water quality and water supply facilities. At least four times annually, the district board of health shall notify the Division of Environmental Protection which subdivisions met these requirements of law and have been certified by the district board of health.
- 4. The State is not chargeable with any expense incurred by a district board of health acting pursuant to this section.
- 5. Each reviewing agency shall, within 15 days after the receipt of the tentative map, file its written comments with the planning commission or the governing body recommending approval, conditional approval or disapproval and stating the reasons therefor.
 - **Sec. 2.** NRS 278.349 is hereby amended to read as follows:
- 278.349 1. Except as otherwise provided in subsection 2, the governing body, if it has not authorized the planning commission to take final action, shall, by an affirmative vote of a majority of all the members, approve, conditionally approve or disapprove a tentative map filed pursuant to NRS 278.330:
 - (a) In a county whose population is 700,000 or more, within 45 days; or
 - (b) In a county whose population is less than 700,000, within 60 days,
- → after receipt of the planning commission's recommendations.
- 2. If there is no planning commission, the governing body shall approve, conditionally approve or disapprove a tentative map:
 - (a) In a county whose population is 700,000 or more, within 45 days; or
- (b) In a county whose population is less than 700,000, within 60 days,
- → after the map is filed with the clerk of the governing body.

- 3. The governing body, or planning commission if it is authorized to take final action on a tentative map, shall consider:
- (a) Environmental and health laws and regulations concerning water and air pollution, the disposal of solid waste, facilities to supply water, community or public sewage disposal and, where applicable, individual systems for sewage disposal;
- (b) The availability of water which meets applicable health standards and is sufficient in quantity for the reasonably foreseeable needs of the subdivision;
 - (c) The availability and accessibility of utilities;
- (d) The availability and accessibility of public services such as schools, police protection, transportation, recreation and parks;
- (e) Conformity with the zoning ordinances and master plan, except that if any existing zoning ordinance is inconsistent with the master plan, the zoning ordinance takes precedence;
- (f) General conformity with the governing body's master plan of streets and highways;
- (g) The effect of the proposed subdivision on existing public streets and the need for new streets or highways to serve the subdivision;
 - (h) Physical characteristics of the land such as floodplain, slope and soil;
- (i) The recommendations and comments of those entities and persons reviewing the tentative map pursuant to NRS 278.330 to 278.3485, inclusive;
- (j) The availability and accessibility of fire protection, including, but not limited to, the availability and accessibility of water and services for the prevention and containment of fires, including fires in wild lands; [and]
 - (k) The potential impacts to wildlife and wildlife habitat; and
- (1) The submission by the subdivider of an affidavit stating that the subdivider will make provision for payment of the tax imposed by chapter 375 of NRS and for compliance with the disclosure and recording requirements of subsection 5 of NRS 598.0923, if applicable, by the subdivider or any successor in interest.
- 4. The governing body or planning commission shall, by an affirmative vote of a majority of all the members, make a final disposition of the tentative map. The governing body or planning commission shall not approve the tentative map unless the subdivider has submitted an affidavit stating that the subdivider will make provision for the payment of the tax imposed by chapter 375 of NRS and for compliance with the disclosure and recording requirements of subsection 5 of NRS 598.0923, if applicable, by the subdivider or any successor in interest. Any disapproval or conditional approval must include a statement of the reason for that action.
 - **Sec. 2.5.** NRS 501.356 is hereby amended to read as follows:
 - 501.356 1. Money received by the Department from:
 - (a) The sale of licenses;
 - (b) Fees described in section 1.2 of this act;
 - (c) Fees pursuant to the provisions of NRS 488.075 and 488.1795;

- **((c))** (d) Remittances from the State Treasurer pursuant to the provisions of NRS 365.535:
 - [(d)] (e) Appropriations made by the Legislature; and
- [(e)] (f) All other sources, including, without limitation, the Federal Government, except money derived from the forfeiture of any property described in NRS 501.3857 or money deposited in the Wildlife Heritage Account pursuant to NRS 501.3575, the Wildlife Trust Fund pursuant to NRS 501.3585, the Energy Planning and Conservation Account created by NRS 701.630 or the Account for the Recovery of Costs created by NRS 701.640,

 → must be deposited with the State Treasurer for credit to the Wildlife Account in the State General Fund.
- 2. The interest and income earned on the money in the Wildlife Account, after deducting any applicable charges, must be credited to the Account.
- 3. Except as otherwise provided in subsection 4 and NRS 503.597, the Department may use money in the Wildlife Account only to carry out the provisions of this title and chapter 488 of NRS and as provided in NRS 365.535, and the money must not be diverted to any other use.
- 4. Except as otherwise provided in NRS 502.250, 502.410 and 504.155, all fees for the sale or issuance of stamps, tags, permits and licenses that are required to be deposited in the Wildlife Account pursuant to the provisions of this title and any matching money received by the Department from any source must be accounted for separately and must be used:
 - (a) Only for the protection, propagation and management of wildlife; and
- (b) If the fee is for the sale or issuance of a license, permit or tag other than a tag specified in subsection 5 or 6 of NRS 502.250, under the guidance of the Commission pursuant to subsection 2 of NRS 501.181.
 - **Sec. 3.** This act becomes effective on July 1, 2021.

Assemblyman Flores moved that the Assembly concur in the Senate Amendment No. 646 to Assembly Bill No. 211.

Remarks by Assemblyman Flores.

ASSEMBLYMAN FLORES:

Amendment 646 authorizes the Board of Wildlife Commissioners to establish by regulation certain fees for the review of a tentative map by the Department of Wildlife and makes conforming changes to require such fees collected to be deposited in the Wildlife Account in the State General Fund.

Roll call on motion to concur in Senate Amendment No. 646:

YEAS-29.

NAYS—Black, Dickman, Ellison, Hafen, Hansen, Krasner, Leavitt, Matthews, McArthur, O'Neill, Titus—11.

EXCUSED—Hardy, Wheeler—2.

The motion having received a two-thirds majority, Mr. Speaker declared it carried.

The following Senate amendment was read:

Amendment No. 747.

AN ACT relating to land use planning; requiring , with certain exceptions, a copy of the tentative map of the design of a proposed subdivision of land to be forwarded to the Department of Wildlife for review; revising the factors that are considered before taking final action on a tentative map; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth an approval process for the subdivision of land that requires a subdivider of land to submit a tentative map to the planning commission or governing body of a county or city, as applicable. (NRS 278.330) Existing law also requires the tentative map to be forwarded to certain state agencies and local governments for review. (NRS 278.335)

Section 1.5 of this bill requires the tentative map to be forwarded to the Department of Wildlife for review unless: (1) the governing body has adopted a habitat conservation plan for multiple species that includes a determination of the impact to wildlife and wildlife habitat and the habitat conservation plan was approved by the United States Fish and Wildlife Service: or (2) the proposed subdivision is infill development which is proposed on a vacant or substantially vacant tract of land that is surrounded by land that is already developed. Section 1.2 of this bill authorizes the Board of Wildlife Commissioners to establish by regulation certain fees for the review of a tentative map by the Department. Section 2.5 of this bill makes a conforming change related to the requirement in section 1.2 to deposit such fees in the Wildlife Account in the State General Fund.

Existing law requires a governing body or planning commission to consider certain factors before taking final action on a tentative map. (NRS 278.349) **Section 2** of this bill additionally requires the governing body or planning commission to consider the potential impact to wildlife and wildlife habitat before taking final action on a tentative map.

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

Section 1. (Deleted by amendment.)

Sec. 1.2. Chapter 278 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Board of Wildlife Commissioners may establish by regulation reasonable fees for the review of a tentative map by the Department of Wildlife pursuant to NRS 278.335. The amount of such fees for the Department to review a tentative map must not exceed a flat fee of \$250 plus an additional fee of not more than \$5 per acre shown on the tentative map.
- 2. All fees collected pursuant to subsection 1 must be deposited in the Wildlife Account in the State General Fund pursuant to NRS 501.356.
- 3. The Board of Wildlife Commissioners may adopt any other regulations necessary for the Department of Wildlife to carry out its duties pursuant to NRS 278.335.

- **Sec. 1.3.** NRS 278.010 is hereby amended to read as follows:
- 278.010 As used in NRS 278.010 to 278.630, inclusive, *and section 1.2 of this act* unless the context otherwise requires, the words and terms defined in NRS 278.0103 to 278.0195, inclusive, have the meanings ascribed to them in those sections.
 - **Sec. 1.5.** NRS 278.335 is hereby amended to read as follows:
- 278.335 1. A copy of the tentative map must be forwarded by the planning commission or its designated representative, or if there is no planning commission, the clerk or other designated representative of the governing body, for review to:
- (a) The Division of Water Resources and the Division of Environmental Protection of the State Department of Conservation and Natural Resources . 4:1
- (b) The district board of health acting for the Division of Environmental Protection pursuant to subsection 2. [; and]
- (c) If the subdivision is subject to the provisions of NRS 704.6672, the Public Utilities Commission of Nevada.
- (d) Except as otherwise provided in this paragraph, the Department of Wildlife. This paragraph does not apply if [the]:
- (1) The governing body has adopted a habitat conservation plan for multiple species of wildlife that evaluates the potential impacts to wildlife and wildlife habitats from the development of land, including, without limitation, any determination of impact to wildlife and wildlife habitat required pursuant to federal law, and the habitat conservation plan has been approved by the United States Fish and Wildlife Service [1]; or
- (2) The proposed subdivision is infill development which is proposed on a vacant or substantially vacant tract of land that is surrounded by land that is already developed.
- 2. In a county whose population is 100,000 or more, if the county and one or more incorporated cities in the county have established a district board of health, the authority of the Division of Environmental Protection to review and certify proposed subdivisions and to conduct construction or installation inspections must be exercised by the district board of health.
- 3. A district board of health which conducts reviews and inspections under this section shall consider all the requirements of the law concerning sewage disposal, water pollution, water quality and water supply facilities. At least four times annually, the district board of health shall notify the Division of Environmental Protection which subdivisions met these requirements of law and have been certified by the district board of health.
- 4. The State is not chargeable with any expense incurred by a district board of health acting pursuant to this section.
- 5. Each reviewing agency shall, within 15 days after the receipt of the tentative map, file its written comments with the planning commission or the governing body recommending approval, conditional approval or disapproval and stating the reasons therefor.

- **Sec. 2.** NRS 278.349 is hereby amended to read as follows:
- 278.349 1. Except as otherwise provided in subsection 2, the governing body, if it has not authorized the planning commission to take final action, shall, by an affirmative vote of a majority of all the members, approve, conditionally approve or disapprove a tentative map filed pursuant to NRS 278.330:
 - (a) In a county whose population is 700,000 or more, within 45 days; or
- (b) In a county whose population is less than 700,000, within 60 days,
- → after receipt of the planning commission's recommendations.
- 2. If there is no planning commission, the governing body shall approve, conditionally approve or disapprove a tentative map:
 - (a) In a county whose population is 700,000 or more, within 45 days; or
 - (b) In a county whose population is less than 700,000, within 60 days,
- → after the map is filed with the clerk of the governing body.
- 3. The governing body, or planning commission if it is authorized to take final action on a tentative map, shall consider:
- (a) Environmental and health laws and regulations concerning water and air pollution, the disposal of solid waste, facilities to supply water, community or public sewage disposal and, where applicable, individual systems for sewage disposal;
- (b) The availability of water which meets applicable health standards and is sufficient in quantity for the reasonably foreseeable needs of the subdivision;
 - (c) The availability and accessibility of utilities;
- (d) The availability and accessibility of public services such as schools, police protection, transportation, recreation and parks;
- (e) Conformity with the zoning ordinances and master plan, except that if any existing zoning ordinance is inconsistent with the master plan, the zoning ordinance takes precedence;
- (f) General conformity with the governing body's master plan of streets and highways;
- (g) The effect of the proposed subdivision on existing public streets and the need for new streets or highways to serve the subdivision;
 - (h) Physical characteristics of the land such as floodplain, slope and soil;
- (i) The recommendations and comments of those entities and persons reviewing the tentative map pursuant to NRS 278.330 to 278.3485, inclusive;
- (j) The availability and accessibility of fire protection, including, but not limited to, the availability and accessibility of water and services for the prevention and containment of fires, including fires in wild lands; {and}
 - (k) The potential impacts to wildlife and wildlife habitat; and
- (1) The submission by the subdivider of an affidavit stating that the subdivider will make provision for payment of the tax imposed by chapter 375 of NRS and for compliance with the disclosure and recording requirements of subsection 5 of NRS 598.0923, if applicable, by the subdivider or any successor in interest.

- 4. The governing body or planning commission shall, by an affirmative vote of a majority of all the members, make a final disposition of the tentative map. The governing body or planning commission shall not approve the tentative map unless the subdivider has submitted an affidavit stating that the subdivider will make provision for the payment of the tax imposed by chapter 375 of NRS and for compliance with the disclosure and recording requirements of subsection 5 of NRS 598.0923, if applicable, by the subdivider or any successor in interest. Any disapproval or conditional approval must include a statement of the reason for that action.
 - **Sec. 2.5.** NRS 501.356 is hereby amended to read as follows:
 - 501.356 1. Money received by the Department from:
 - (a) The sale of licenses;
 - (b) Fees described in section 1.2 of this act;
 - (c) Fees pursuant to the provisions of NRS 488.075 and 488.1795;
- (c) (d) Remittances from the State Treasurer pursuant to the provisions of NRS 365.535;
- [(d)] (e) Appropriations made by the Legislature; and
- (e) (f) All other sources, including, without limitation, the Federal Government, except money derived from the forfeiture of any property described in NRS 501.3857 or money deposited in the Wildlife Heritage Account pursuant to NRS 501.3575, the Wildlife Trust Fund pursuant to NRS 501.3585, the Energy Planning and Conservation Account created by NRS 701.630 or the Account for the Recovery of Costs created by NRS 701.640, → must be deposited with the State Treasurer for credit to the Wildlife Account
- in the State General Fund.
- 2. The interest and income earned on the money in the Wildlife Account, after deducting any applicable charges, must be credited to the Account.
- 3. Except as otherwise provided in subsection 4 and NRS 503.597, the Department may use money in the Wildlife Account only to carry out the provisions of this title and chapter 488 of NRS and as provided in NRS 365.535, and the money must not be diverted to any other use.
- 4. Except as otherwise provided in NRS 502.250, 502.410 and 504.155, all fees for the sale or issuance of stamps, tags, permits and licenses that are required to be deposited in the Wildlife Account pursuant to the provisions of this title and any matching money received by the Department from any source must be accounted for separately and must be used:
 - (a) Only for the protection, propagation and management of wildlife; and
- (b) If the fee is for the sale or issuance of a license, permit or tag other than a tag specified in subsection 5 or 6 of NRS 502.250, under the guidance of the Commission pursuant to subsection 2 of NRS 501.181.
 - **Sec. 3.** This act becomes effective on July 1, 2021.

Assemblyman Flores moved that the Assembly concur in the Senate Amendment No. 747 to Assembly Bill No. 211.

Remarks by Assemblyman Flores.

ASSEMBLYMAN FLORES:

Amendment 747 creates an exception for infill development.

Roll call on motion to concur in Senate Amendment No. 747:

YEAS—33.

NAYS—Black, Dickman, Ellison, Krasner, Matthews, McArthur, O'Neill—7.

EXCUSED—Hardy, Wheeler—2.

The motion having received a two-thirds majority, Mr. Speaker declared it carried

Bill ordered to enrollment.

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bills Nos. 32, 52, 55, 146, 191, 192, 216, 284, 296, 356, 388, 399, 404, 410, 412, 419, 424; Assembly Resolution No. 8; Senate Bills Nos. 317, 423, 425, 429, 436.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 451 and 459; Assembly Bill No. 65 be taken from their positions on the General File and placed at the top of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 451.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Senate Bill 451 establishes the state's monthly contribution amounts for health insurance benefits provided to active employee and retiree participants in the Public Employees' Benefits Program [PEBP] for the 2021-2023 biennium. For active participants, the state's contribution towards the total monthly cost is \$727 per month in Fiscal Year 2022 and \$755 per month in Fiscal Year 2023. For the retiree participants not eligible for Medicare, the base state monthly contribution is \$471.50 in Fiscal Year 2022, and \$498 in Fiscal Year 2023. For Medicare eligible retiree participants enrolled in the PEBP sponsored individual Medicare market exchange, the base state contribution is \$13 per month for 15 years of state service which equates to \$195 per month.

We have heard a lot of public comment about this issue. We know when we came into this session that there were going to be cuts and everybody was at the table to take their appropriate haircut, as we have been calling it through the session. As things changed, this was one of the issues that we were able to make some small adjustments to, but with the open enrollment period starting on May 1 and ending on Monday, May 31, there were not a lot of adjustments we could do for this year. We understand the concerns of the state employees wanting us to address it, but there is always a time in the future to have conversations about how we make sure that state employees health insurance serves them the best that it can.

Roll call on Senate Bill No. 451:

YEAS-35.

NAYS—Black, Dickman, Ellison, Matthews, McArthur—5.

EXCUSED—Hardy, Wheeler—2.

Senate Bill No. 451 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 459.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Senate Bill 459 is the financial administration authorizing all the expenditures for the various officers, departments, boards, agencies, commissions, and institutions in state government. This is how we fund government. Everyone has a copy of the bill on their desk. It is quite extensive but one of the things that I would like to point out to the body is in section 8 where there is a breakdown of the funding for all the different components of the university system. We pointed out the Pupil-Centered Funding Plan. A lot was done with the university system also. On page 18, section 8 of the bill, there is a rundown of the state support for the university system.

Roll call on Senate Bill No. 459:

YEAS—35.

NAYS—Black, Dickman, Ellison, Matthews, McArthur—5.

EXCUSED—Hardy, Wheeler—2.

Senate Bill No. 459 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 65.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 777.

AN ACT relating to ethics in government; making various changes relating to the provisions governing ethics in government; **enacting the Nevada Legislative Ethics Law;** providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

With certain exceptions, the Nevada Ethics in Government Law (Ethics Law) governs the conduct of public officers and employees and, in certain situations, former public officers and employees after the end of their period of public service or employment. The Ethics Law is carried out and enforced by the Commission on Ethics [1] (Ethics Commission), which is authorized to issue opinions interpreting the statutory ethical standards established by the Ethics Law and applying those standards to a given set of facts and circumstances. The Ethics Law also authorizes any state agency or the governing body of a county or city to establish a specialized or local ethics committee to complement the functions of the Ethics Commission. (Chapter 281A of NRS)

Under the Ethics Law, the <u>Ethics</u> Commission is authorized to issue advisory opinions requested by current and former public officers and employees who are: (1) seeking guidance on matters which directly relate to

the propriety of their own past, present or future conduct under the statutory ethical standards; or (2) requesting relief from certain provisions of the Ethics Law that allow the <u>Ethics</u> Commission to grant such relief. (NRS 281A.670-281A.690) The <u>Ethics</u> Commission is also authorized to issue opinions in response to ethics complaints filed with or initiated by the <u>Ethics</u> Commission regarding the propriety of the conduct of current and former public officers and employees under the statutory ethical standards. (NRS 281A.700-281A.790)

[This] Sections 2-54 of this bill [amends] amend the Ethics Law by clarifying, revising and adding to existing provisions which govern: (1) the operation, powers, functions and duties of the Ethics Commission, its members and staff and any specialized or local ethics committees; (2) the statutory ethical standards that apply to the conduct of current and former public officers and employees; and (3) the proceedings concerning requests for advisory opinions and ethics complaints and the issuance of opinions and the imposition of remedies and penalties by the Ethics Commission.

Sections 3, 8, 9, 12, 20-24 and 26-28 of this bill make various changes to existing provisions of the Ethics Law which govern the operation, powers, functions and duties of the Ethics Commission, its members and staff and any specialized or local ethics committees. (NRS 281A.200-281A.350) Under the Ethics Law, the Ethics Commission is required to annually elect a Chair and Vice Chair who are assigned certain powers, functions and duties. (NRS 281A.210, 281A.220, 281A.240, 281A.300) Sections 3 and 20 of this bill provide for the Chair's powers, functions and duties to be assigned for a particular matter to the Vice Chair or another member of the Ethics Commission under certain circumstances. Section 27 of this bill additionally authorizes the administration of oaths by a member of the Ethics Commission when appointed by the Chair to preside over any meetings, hearings or proceedings and by a certified court reporter. Section 27 also specifically authorizes the Chair to issue a subpoena during the course of an investigation for information, records and documentation regarding confidential personnel records maintained by a state or local governmental agency that relate to issues under consideration in an ethics complaint. Under section 47 of this bill, these records are made part of the investigative file. Section 27 further provides that any court proceeding commenced relating to a subpoena is deemed good cause for the **Ethics** Commission to grant an extension of the time limits that apply to proceedings concerning ethics complaints.

The Ethics Law requires the Chair to appoint review panels, consisting of three members of the **Ethics** Commission, to review ethics complaints during the investigatory stage of the proceedings, and if a review panel determines that there is just and sufficient cause for the **Ethics** Commission to render an opinion in a matter, the members of the review panel generally cannot participate in any further proceedings of the **Ethics** Commission relating to that matter. (NRS 281A.220) However, the Ethics Law allows the members of the review panel to authorize the development of and approve a deferral

agreement in the proceedings. (NRS 281A.730) **Section 21** of this bill allows one or more members of the review panel, with the consent of the parties, to participate as mediators or facilitators in any settlement negotiations between the parties that are conducted in the proceedings before the **Ethics** Commission holds an adjudicatory hearing in the matter.

The Ethics Law requires the Commission to appoint and prescribe the duties of the Executive Director who must have experience in administration, investigations and law. (NRS 281A.230) Section 22 of this bill adds to these qualifications by requiring the Executive Director to be an attorney who is licensed to practice law in Nevada.]

Under the Ethics Law, the <u>Ethics</u> Commission may conduct investigations and proceedings and secure the participation and attendance of witnesses and the production of any books and papers. (NRS 281A.290, 281A.300) **Section 8** requires public officers and employees to cooperate with the <u>Ethics</u> Commission in its investigations and proceedings and to furnish information and reasonable assistance to the <u>Ethics</u> Commission, except to the extent that they are entitled to the protection of certain rights, privileges or immunities or any confidentiality or other protection recognized by law. **Section 8** is modeled, in part, on similar provisions governing the Commission on Judicial Discipline. (NRS 1.460)

Section 12 authorizes the <u>Ethics</u> Commission to cooperate in investigations of other state and local governmental agencies to make appropriate referrals of ethics complaints.

The Ethics Law requires the <u>Ethics</u> Commission [on Ethics] to appoint and prescribe the duties of the Commission Counsel who is the legal adviser to the <u>Ethics</u> Commission and who, in most cases, is directed by the <u>Ethics</u> Commission to act as legal counsel in any litigation in which the <u>Ethics</u> Commission or its members or staff are parties in an official capacity. (NRS 281A.250, 281A.260) Under Nevada's Open Meeting Law, the <u>Ethics</u> Commission may receive information regarding any litigation from its legal counsel and deliberate toward a decision regarding the litigation without holding a public meeting that complies with the Open Meeting Law. (NRS 241.015) Existing law authorizes a public body to delegate authority to the chair or the executive director of a public body, or an equivalent position, to make any decision regarding litigation concerning any action or proceeding in which the public body or any member or employee of the public body is a party in an official capacity or participates or intervenes in an official capacity. (NRS 241.0357)

Section 9 provides that during any period in which proceedings concerning a request for an advisory opinion or an ethics complaint are confidential under the Ethics Law, the Open Meeting Law does not apply to any meetings, hearings, deliberations or actions of the **Ethics** Commission involving: (1) any decisions in litigation concerning any judicial action or proceeding related to the request for an advisory opinion or the ethics complaint; and (2) any delegation of authority to make such decisions in the litigation to the Chair or

the Executive Director, or both. <u>Section 114 of this bill makes a conforming change to the Open Meeting Law.</u>

Section 24 of this bill specifies the powers and duties of the Commission Counsel regarding any litigation in which the Ethics Commission or its members or staff are parties in an official capacity. Section 24 clarifies that the Commission Counsel does not represent the interests of the Executive Director in a judicial action or proceeding in which the Executive Director is named as a party based on the conduct of the Executive Director in his or her official Feonduct capacity as a party to an adjudicative proceeding.

Under the Ethics Law, the **Ethics** Commission is required to adopt procedural rules to carry out the functions of the **Ethics** Commission, accept acknowledgments of statutory ethical standards, conduct necessary investigations, recommend legislation to promote ethics in government and publish a manual explaining the Ethics Law. (NRS 281A.290) The Executive Director is required to conduct training on the requirements of the Ethics Law for public officers and employees. (NRS 281A.240) **Section 26** of this bill replaces the requirement to publish a manual with a requirement to publish materials to educate public officers and employees on the requirements of the Ethics Law.

Under the Ethics Law, a specialized or local ethics committee may: (1) establish its own code of ethical standards suitable for the particular ethical problems encountered in its sphere of activity; and (2) render opinions upon the request of public officers and employees subject to its jurisdiction seeking an interpretation of its own ethical standards on certain questions. However, a specialized or local ethics committee may not attempt to interpret or render an opinion regarding the statutory ethical standards subject to the jurisdiction of the Ethics Commission, but it may refer such questions to the Ethics Commission. (NRS 281A.350) Section 28 of this bill clarifies the circumstances when such questions may be referred to the Ethics Commission as a request for an advisory opinion. Section 28 also makes conforming changes to ensure consistency with the other revisions that this bill makes to the Ethics Law. Section 28 of this bill also removes the authority of a specialized or local ethics committee in existing law to require the filing of financial disclosure statements if the form has been approved by the Secretary of State. Section 1 of this bill makes a conforming change related to the removal of this authority.

The Ethics Law establishes statutory ethical standards that are intended to enhance the people's faith in the integrity and impartiality of public officers and employees by requiring appropriate separation between the roles of persons who are both public servants and private citizens in order to avoid conflicts between their private interests and the interests of the general public whom they serve. (NRS 281A.020, 281A.400-281A.550) **Sections 6, 7, 10, 16 and 29-33** of this bill make various changes to the statutory ethical standards.

Sections 6 and 7 restate more clearly the existing scope of the statutory ethical standards and their applicability to the conduct of current and former

public officers and employees. **Section 7** also codifies the existing rule of construction that the standards are cumulative and supplement each other and all such standards are enforceable to the extent that they apply to the given set of facts and circumstances.

The Ethics Law prohibits public officers and employees from engaging in certain unethical conduct that benefits themselves, any business entities in which they have a significant pecuniary interest or any persons to whom they have a commitment in a private capacity. (NRS 281A.400, 281A.420) The Ethics Law defines the persons to whom public officers and employees have a "commitment in a private capacity" to include: (1) the spouse or domestic partner of the public officer or employee, any member of his or her household or any relative within the third degree of consanguinity or affinity; (2) any person who employs the public officer or employee, his or her spouse or domestic partner or any member of his or her household; (3) any person with whom the public officer or employee has a substantial and continuing business relationship; or (4) any person with whom the public officer or employee has any other commitment, interest or relationship that is substantially similar to the foregoing commitments, interests or relationships. (NRS 281A.065) Section 16 makes technical revisions to the definition of "commitment in a private capacity" that do not change its substantive meaning.

The Ethics Law prohibits public officers and employees from using their position in government to secure or grant any unwarranted privileges, preferences, exemptions or advantages for themselves, any business entities in which they have a significant pecuniary interest or any persons to whom they have a commitment in a private capacity. (NRS 281A.400) Section 10 adds to the statutory ethical standards by prohibiting public officers and employees from using their position or power in government to take any actions or compel a subordinate to take any actions that a reasonable person would find, based on the given set of facts and circumstances, to be a gross or unconscionable abuse of official position or power that would undermine the integrity or impartiality of a reasonable person in the public officer's or employee's position under the same or similar facts and circumstances. However, the prohibition in **section 10** does not apply to any allegations claiming only bias. error or abuse of discretion in any actions taken by public officers and employees within the normal course and scope of their position or power in government.

The Ethics Law [contains a general provision that] prohibits public officers and employees from using governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest of the public officers and employees or any persons to whom they have a commitment in a private capacity. [By contrast, the Ethics Law also contains a specific provision that prohibits State Legislators from using governmental time, property, equipment or other facility for a nongovernmental purpose or for the private benefit of the Legislators or any other persons. Both of these prohibitions contain separatel The Ethics Law also contains certain limited-

use exceptions that allow a limited use of governmental property, equipment or other facility for personal purposes if the limited use meets certain requirements. (NRS 281A.400) **Section 29** of this bill revises these prohibitions and limited-use exceptions in several ways.

First, [section 29 aligns the prohibitions so they employ the same prohibitive language for Legislators and other public officers and employees. As a result, subject to the limited use exceptions, section 29 prohibits all public officers and employees from using governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest of the public officers and employees or any persons to whom they have a commitment in a private capacity.

Second, with regard to the limited-use exceptions that apply to public officers and employees other than Legislators, one of the existing requirements for the <u>limited-use</u> exceptions is that the public officer or employee who is responsible for and has authority to authorize the limited use for personal purposes must have established a policy allowing the limited use. (NRS 281A.400) **Section 29** clarifies the exception by providing that the limited use must be authorized by a written policy which was adopted before the limited use occurs.

[Finally, with regard to the limited use exceptions that apply to Legislators and other public officers and employees,] Second, one of the existing requirements for the limited-use exceptions is that the limited use for personal purposes must not create the appearance of impropriety. (NRS 281A.400) Section 29 defines the term "appearance of impropriety" to mean a reasonable person would find, based on the given set of facts and circumstances, that the limited use for personal purposes is inappropriate, disproportionate, excessive or unreasonable under that given set of facts and circumstances.

With certain exceptions, the Ethics Law prohibits public officers and employees from acting upon a matter in which their personal or private interests may create potential conflicts of interests unless, at the time the matter is considered, they make a disclosure that is sufficient to inform the public of their potential conflicts of interests. (NRS 281A.420) **Section 31** of this bill provides that, when public officers and employees make such a public disclosure, they are not required to disclose any information which is confidential as a result of a bona fide relationship that protects the confidentiality of the information under the terms of a contract or as a matter of law, such as the attorney-client relationship, if they: (1) disclose all nonconfidential information and describe the general nature of the protected relationship; and (2) abstain from acting upon the matter.

The Ethics Law allows certain public officers to represent or counsel private persons for compensation before state or local agencies in which they do not serve. In addition, although the Ethics Law requires public officers to disclose such private representation or counseling when it may create potential conflicts of interests with their public duties, they are not required to abstain from acting on a matter because of those potential conflicts of interests. (NRS 281A.410,

281A.420) **Section 31** requires public officers to abstain from acting on a matter under certain circumstances when such private representation or counseling results in conflicts of interests with their public duties.

The Ethics Law prohibits certain former public officers and employees, for a 1-year "cooling-off" period after the termination of their public service or employment, from soliciting or accepting private employment from any entities regulated or awarded certain contracts by the agencies that employed the former public officers and employees. However, the Ethics Law also allows the Ethics Commission to grant relief from the strict application of the prohibition in specified circumstances. (NRS 281A.550) Section 33 of this bill provides that certain current and former public officers and management-level public employees are subject to the "cooling-off" period both during and after their public service or employment and cannot solicit or accept private employment from such entities under similar circumstances. Section 33 also provides that the "cooling-off" period applies when certain current and former public officers and employees are or were materially involved in the implementation, management or administration of certain contracts awarded by their employing agencies.

The Ethics Law requires public officers to execute and timely file with the **Ethics** Commission written acknowledgments that they have received, read and understand the statutory ethical standards and that they have a responsibility to become familiar with any amendments to those standards. (NRS 281A.500) **Section 11** of this bill requires the appropriate appointing authorities and administrative officials at the state and local level to: (1) compile a list of the public officers within their purview who must file the written acknowledgment of the statutory ethical standards; and (2) submit the list annually to the **Ethics** Commission. Under existing law, these same appointing authorities and administrative officials must compile and submit a similar list annually to the Secretary of State concerning public officers who must file financial disclosure statements with the Secretary of State. (NRS 281.574)

The Ethics Law contains existing provisions which govern the proceedings concerning requests for advisory opinions and ethics complaints and the issuance of opinions and the imposition of remedies and penalties by the <u>Ethics</u> Commission. (NRS 281A.665-281A.790) **Sections 4, 5, 14, 15, 17** <u>11, 18, 19, 25 and 34-54</u> of this bill make various changes to these existing provisions.

Under the Ethics Law, the <u>Ethics</u> Commission issues opinions interpreting the statutory ethical standards and applying those standards to a given set of facts and circumstances. (NRS 281A.680, 281A.710) The Ethics Law also directs the Legislative Counsel to prepare annotations of the <u>Ethics</u> Commission's published opinions for inclusion in the Nevada Revised Statutes. (NRS 281A.290) **Section 5** defines "published opinion" as an opinion issued by the <u>Ethics</u> Commission that is publicly available on the Internet website of the <u>Ethics</u> Commission. **Sections 26 and 34** of this bill move and

recodify within the Ethics Law the existing provision that directs the Legislative Counsel to prepare annotations of the <u>Ethics</u> Commission's published opinions for inclusion in the Nevada Revised Statutes.

The Ethics Law authorizes public officers and employees to file with the **Ethics** Commission requests for advisory opinions to: (1) seek guidance relating to the propriety of their own past, present or future conduct under the statutory ethical standards; or (2) request relief from the strict application of certain provisions of the Ethics Law. (NRS 281A.675) **Section 35** of this bill authorizes the **Ethics** Commission to request additional information relating to the request for an advisory opinion from the requester or his or her legal counsel.

If the requester properly files a request for an advisory opinion, the Ethics Law requires the Ethics Commission to render an advisory opinion in the matter within a certain time limit after receiving the request, unless the requester waives the time limit. (NRS 281A.680) Sections 25 and 36 of this bill revise the **Ethics** Commission's jurisdiction and procedures regarding a request for an advisory opinion. Under the Ethics Law, the Ethics Commission generally has jurisdiction over ethics complaints filed or initiated within 2 years after the alleged violation or reasonable discovery of the alleged violation. (NRS 281A.280) Section 25 similarly provides that the Ethics Commission's jurisdiction over a request for an advisory opinion extends only to past conduct occurring within 2 years before the date on which the request is filed. Section 36 allows the Ethics Commission to stay or dismiss the proceedings concerning the request for an advisory opinion under certain circumstances when an ethics complaint is also filed or pending that involves some or all of the same issues or facts and circumstances as the request for an advisory opinion or when the requester has not complied with any procedural requirements of the Ethics Law. Section 36 further requires the requester to confirm in writing, signed under oath, that any written information related to the request is truthful. Section 36 also requires the Ethics Commission to render a decision regarding the request for an advisory opinion within the existing time limit, subject to certain exceptions. However, section 36 provides the Ethics Commission with more time to prepare the written advisory opinion in the matter by requiring the Ethics Commission to issue the written advisory opinion within a specified time limit after the decision is rendered.

Section 36 further authorizes the <u>Ethics</u> Commission to determine which decisions and opinions related to a request for an advisory opinion will be binding on a requester and constitute administrative precedent to be followed in the adjudication and disposition of future requests for an advisory opinion or ethics complaint. Section 36 confirms that a written advisory opinion related to a request for relief from the strict application of the cooling-off provisions or to the past conduct of the requester are not subject to judicial review under the Nevada Administrative Procedure Act. Finally, section 36 authorizes the Executive Director and the Commission Counsel to issue

informal advice to a public officer or employee regarding the application of the statutory ethical standards to a given set of facts and circumstances that is not contrary to a published opinion of the <u>Ethics</u> Commission. Section 36 provides that such advice is not binding on the requester or subject to judicial review and good faith reliance on such advice protects the public officer or employee from a future finding of a violation of the Ethics Law. Section 36 provides that any dispute related to such advice is resolved pursuant to a request for an advisory opinion from the <u>Ethics</u> Commission and any decision or opinion of the <u>Ethics</u> Commission of its jurisdiction over an ethics complaint which alleges facts separate from those relied upon to render advice.

Under the Ethics Law, certain materials relating to a request for an advisory opinion are confidential and not public records unless the requester: (1) authorizes the <u>Ethics</u> Commission to disclose the materials; or (2) voluntarily discloses the materials to persons other than those specified in the statute. (NRS 281A.685) <u>Section 37</u> of this bill clarifies that any authorization given by the requester is limited to the specific materials that the requester authorizes the <u>Ethics</u> Commission to disclose. <u>Section 37</u> also revises the specified persons to whom the requester may voluntarily disclose the materials without waiving the confidentiality of the materials. In addition, <u>section 37</u> provides that a request for advice from the <u>Executive Director or Commission Counsel receives the same confidentiality protections as a request for an advisory opinion from the <u>Ethics Commission.</u></u>

With certain exceptions, the **Ethics** Commission is subject to the Open Meeting Law, which generally requires most meetings of public bodies to be open to the public. (Chapter 241 of NRS) However, under the Ethics Law, the Open Meeting Law does not apply to meetings, hearings, deliberations and actions of the **Ethics** Commission relating to requests for advisory opinions, although the requester of the advisory opinion may file a request with the **Ethics** Commission to hold a public meeting or hearing regarding the matter. (NRS 281A.690) **Section 38** of this bill provides that if the **Ethics** Commission grants such a request for a public meeting or hearing regarding the matter, the **Ethics** Commission must provide public notice of the meeting or hearing and the meeting or hearing must be open to the public and conducted in accordance with the regulations of the **Ethics** Commission, but the meeting or hearing is not subject to specific requirements of the Open Meeting Law.

In addition to rendering advisory opinions, the **Ethics** Commission is also authorized by the Ethics Law to render opinions regarding the propriety of the conduct of public officers and employees under the statutory ethical standards in response to ethics complaints. (NRS 281A.710) Not later than 45 days after receiving an ethics complaint, the Ethics Law requires the **Ethics** Commission to determine initially whether it has jurisdiction over the ethics complaint and whether an investigation is warranted in the matter, unless the subject of the ethics complaint waives the time limit. (NRS 281A.715) **Section 41** of this bill

authorizes the Executive Director, during this initial period, to conduct a preliminary investigation to obtain additional information concerning the allegations in the ethics complaint to assist the <u>Ethics</u> Commission in making its initial determination. In addition, section 41: (1) allows the <u>Ethics</u> Commission to extend the time limit for good cause but requires the <u>Ethics</u> Commission to set a specific and reasonable time period for such an extension; and (2) eliminates, as unnecessary, the provision authorizing the subject to waive the time limit because the subject does not receive notice of the matter during this initial period, but only receives notice of the matter if the <u>Ethics</u> Commission determines that it has jurisdiction and an investigation is warranted. Section 41 also allows the <u>Ethics</u> Commission to dismiss an ethics complaint initiated on its own motion if it determines that the evidence is not sufficient to warrant an investigation in the matter but requires the <u>Ethics</u> Commission to issue a letter of caution or instruction in those circumstances.

Under the Ethics Law, if the <u>Ethics</u> Commission determines that it has jurisdiction over an ethics complaint and an investigation is warranted, the subject of the ethics complaint is served with a notice of the investigation and provided with an opportunity to submit a response to that notice. (NRS 281A.720) **Section 42** of this bill authorizes the Executive Director to grant, under certain circumstances, extensions of the time limit to submit the response, including that the subject must waive the time limit for the investigation, but the Executive Director must set a specific and reasonable time period for such an extension.

As part of the investigation, the Ethics Law permits the Executive Director to secure the subject's participation, attendance as a witness or production of books and papers under existing procedures. (NRS 281A.300) **Section 42** clarifies that, regardless of whether the subject submits a response to the investigation, the Executive Director retains the authority during the course of the investigation to secure the subject's participation, attendance as a witness or production of books and papers under those existing procedures.

Within 70 days after the **Ethics** Commission directs the Executive Director to investigate an ethics complaint, the Ethics Law requires the Executive Director to present a written recommendation to the review panel regarding the sufficiency of the evidence concerning the ethics complaint, unless the subject waives the time limit. (NRS 281A.725) **Section 43** of this bill allows the presiding officer of the review panel to grant the Executive Director extensions of the time limit for good cause but requires the presiding officer to set a specific and reasonable time period for such an extension.

Within 15 days after the Executive Director presents the written recommendation to the review panel, the Ethics Law requires the review panel to determine whether there is just and sufficient cause for the **Ethics** Commission to render an opinion regarding the ethics complaint, unless the subject waives the time limit. (NRS 281A.730) **Section 44** of this bill extends the time for the panel to issue its determination to 45 days. If the review panel determines that there is not just and sufficient cause, the Ethics Law requires

the review panel to dismiss the matter, but the review panel may issue a confidential letter of caution or instruction to the subject as part of the dismissal. If the review panel determines that there is just and sufficient cause but reasonably believes that the conduct at issue may be appropriately addressed through additional training or other corrective action, the Ethics Law authorizes the review panel to approve a deferral agreement between the Executive Director and the subject to defer further proceedings in the matter under the terms and conditions of the deferral agreement. If the subject complies with the terms and conditions of the deferral agreement, the matter must be dismissed. However, if the subject fails to comply with the terms and conditions of the deferral agreement, the deferral agreement may be vacated and further proceedings conducted in the matter before the Ethics Commission. If the review panel does not believe that a deferral agreement is appropriate or if the subject declines to enter into such a deferral agreement, the Ethics Law requires the review panel to refer the matter to the Ethics Commission for further proceedings. (NRS 281A.730, 281A.740)

Section 44 of this bill provides that after the review panel makes its determination in the matter, it must serve written notice of its determination on the subject.

The Ethics Law establishes various requirements regarding the adjudication of ethics complaints referred to the <u>Ethics</u> Commission for further proceedings. (NRS 281A.745-281A.760) **Sections 4 and 45** of this bill clarify that the parties to the proceedings are: (1) the Executive Director or his or her designee, who present the case to the <u>Ethics</u> Commission at the adjudicatory hearing in the matter; and (2) the subject of the ethics complaint, who has the right to written notice of the hearing, to be represented by legal counsel and to hear the evidence presented to the <u>Ethics</u> Commission and to present his or her own case. **Section 45** also requires: (1) the Executive Director to issue a formal notice of charges to the subject of the ethics complaint regarding the allegations to be presented at an adjudicatory hearing; and (2) the <u>Ethics</u> Commission to provide the parties with a written schedule for discovery in order to prepare for the hearing.

The Ethics Law requires the **Ethics** Commission to hold the hearing and render an opinion in the matter within a certain time limit, unless waived by the subject, and requires the opinion to include findings of fact and conclusions of law. (NRS 281A.745, 281A.765) **Section 45** requires the **Ethics** Commission to hold a hearing and render a decision in the matter within the existing time limit, unless waived by the subject or extended by the **Ethics** Commission for good cause with a specific and reasonable time period, but **section 45** provides the **Ethics** Commission with more time to prepare the written opinion in the matter by requiring the **Ethics** Commission to issue the written opinion within a specified time limit after the decision is rendered. **Section 45** also clarifies that, in addition to including findings of fact and conclusions of law, the written opinion must otherwise comply with the requirements for a final decision under Nevada's Administrative Procedure

Act. (NRS 233B.125) **Section 49** of this bill makes a conforming change related to the contents of a written opinion.

With certain exceptions, the Ethics Law requires, or in some cases allows, the **Ethics** Commission to keep the identity of certain persons who file ethics complaints confidential in order to protect those persons from potential harm. (NRS 281A.750) Section 46 of this bill extends the confidentiality of the requester to persons who worked for the same public body, agency or employer as the subject of the ethics complaint at the time of the alleged conduct, or if revealing the identity of the requester would otherwise reveal the identity of witnesses who work for the same public body, agency or employer. Section 46 also clarifies that such confidentiality extends to all materials that, if disclosed, would reveal the identity of the confidential requester. Section 46 also clarifies that the identity of the confidential requester remains protected if the Executive Director does not intend to present the testimony of the confidential requester as evidence in the matter. However, if the Executive Director intends to present the testimony of the confidential requester as evidence in the matter, section 46 provides that the Executive Director must disclose the name of the confidential requester only as a proposed witness in accordance with the schedule for discovery in the matter.

Under the Ethics Law, the subject of an ethics complaint may submit a written discovery request for a list of proposed witnesses and a copy of any materials in the investigative file that the Executive Director intends to present as evidence in the matter. The Ethics Law also provides that the materials in the investigative file are confidential, except that any materials which the Executive Director presents as evidence in the matter become public records. (NRS 281A.755) **Section 47** requires any written discovery request to be submitted in accordance with the schedule for discovery in the matter. **Section 47** also provides that any materials which the Executive Director presents as evidence in the matter become public records after the **Ethics** Commission takes final action concerning the ethics complaint in a public meeting or hearing held under **section 48** of this bill, but provides an exception if any of the materials are declared confidential by another law.

In proceedings concerning an ethics complaint, the Ethics Law exempts from the Open Meeting Law: (1) any meeting or hearing held by the **Ethics** Commission to receive information or evidence concerning the ethics complaint; and (2) any deliberations of the **Ethics** Commission on such information or evidence. However, the Ethics Law does not exempt the **Ethics** Commission's actions concerning the ethics complaint from the Open Meeting Law. (NRS 281A.760) **Section 48** generally exempts the **Ethics** Commission's actions concerning the ethics complaint from the Open Meeting Law. However, **section 48** requires the **Ethics** Commission to take final action concerning the ethics complaint in a public meeting or hearing for which the **Ethics** Commission provides public notice and which is open to the public and conducted in accordance with the regulations of the **Ethics** Commission, but

the meeting or hearing is not subject to specific requirements of the Open Meeting Law.

The Ethics Law establishes various requirements regarding the disposition of ethics complaints and the imposition of remedies and penalties. (NRS 281A.765-281A.790) Under the Ethics Law, there are two types of violations: (1) willful violations that require proof of specific mental elements showing that the subject of an ethics complaint committed the violations intentionally and knowingly; and (2) other violations that do not require proof of those specific mental elements. (NRS 281A.170) To determine whether violations are willful, the Ethics Law requires the Ethics Commission to: (1) consider a nonexclusive list of aggravating and mitigating factors, as well as any other reasonably related factors; and (2) ensure when it applies those factors that the disposition of the matter bears a reasonable relationship to the severity of the violations. (NRS 281A.775) For any violations, whether or not willful, the Ethics Law authorizes the **Ethics** Commission to impose certain remedies. such as training, a remedial course of action or public admonishment. (NRS 281A.785) However, for willful violations, the Ethics Law also authorizes more severe remedies and penalties, such as substantial civil penalties and public reprimand or censure. In some cases involving willful violations, the Ethics Law further requires the **Ethics** Commission to seek removal of certain public officers through court proceedings or to submit the matter to the appropriate House of the Legislature for consideration of additional remedies and penalties against certain public officers, including removal through impeachment. [or expulsion.] (NRS 281A.785, 281A.790) With respect to certain dispositions of ethics complaints and in determining whether a violation is willful, existing law requires the Ethics Commission to treat comparable situations in a comparable manner. (NRS 281A.770, 281A.775) Sections 50 and 51 of this bill require the Ethics Commission to carry out that duty to the extent practicable based on the given set of facts and circumstances. Section 54 of this bill clarifies that in determining whether the subject has committed one or more violations, each separate act or event that constitutes a violation, or course of conduct that the Ethics Commission interprets as constituting a separate violation, must be treated as a separate violation that is cumulative to all other violations, whenever committed, without regard to the sequence of the violations or whether the violations are established in the same or separate proceedings.

The Ethics Law prohibits any person from preventing, interfering with or attempting to prevent or interfere with investigations or proceedings or the discovery of violations under the Ethics Law and authorizes the **Ethics** Commission to impose civil penalties and, under certain circumstances, assess against such a person certain attorney's fees and costs incurred by others as a result of the act. (NRS 281A.790) **Sections 25 and 54** of this bill: (1) deem the person's act to be a violation of the Ethics Law; (2) specify that the **Ethics** Commission has jurisdiction to investigate and take appropriate action regarding the violation in any proceeding commenced within 2 years after the

violation or reasonable discovery thereof; and (3) require the **Ethics** Commission, before taking appropriate action, to provide the person with a written notice of the charges and an opportunity for a hearing in accordance with the regulations of the **Ethics** Commission. **Section 54** also authorizes the **Ethics** Commission, under certain circumstances, to assess against the person certain attorney's fees and costs incurred by the **Ethics** Commission as a result of the violation.

As previously stated, the Ethics Law governs the conduct of public officers and employees and, in certain situations, former public officers and employees after the end of their period of public service or employment. (Chapter 281A of NRS) Sections 55-112 of this bill enact the Nevada Legislative Ethics Law (Legislative Ethics Law) to govern legislative officers and employees and, in certain situations, former legislative officers and employees after the end of their period of legislative service or employment. Sections 59-77 of this bill establish various definitions applicable to the Legislative Ethics Law.

In particular, section 73 of this bill defines "legislative officer" as: (1) a member of the Senate, the Secretary of the Senate or any other officer of the Senate; (2) a member of the Assembly, the Chief Clerk of the Assembly or any other officer of the Assembly; and (3) any other officer of the Legislature, the Legislative Counsel Bureau or the Legislative Department of the State Government. Section 71 of this bill defines "legislative employee" as any employee, assistant, attache, intern or other staff employed with reference to the legislative duties of a Legislator or the Legislative Department, regardless of whether the position is paid or otherwise compensated. Sections 11, 12.5, 16.5, 18.5, 18.7, 29-32 and 54 of this bill make conforming changes to remove legislative officers and employees from the jurisdiction of the Ethics Law in Chapter 281A of NRS, so that they are subject to the jurisdiction of the Legislative Ethics Law in sections 55-112.

Under the Nevada Constitution, the Houses of the Legislature have adopted Standing Rules that establish various ethical standards for Legislators and other legislative officers and employees. (Nev. Const. Art. 4, § 6; Senate Standing Rule No. 23; Assembly Standing Rule No. 23; Joint Standing Rules Nos. 30-39) Section 79 of this bill provides that the Legislative Ethics Law supplements such Standing Rules and, to the extent that there is a conflict between the Standing Rules and the Legislative Ethics Law, the Standing Rules govern the conflict.

Existing law establishes general ethical standards to which public officers and employees are bound. (NRS 281A.400) Section 83 of this bill establishes similar provisions for the purpose of legislative officers and employees.

Section 10 of this bill prohibits public officers and employees from using their position or power in government to take any actions or compel a subordinate to take actions that a reasonable person would find, based on

the given facts and circumstances, to be a gross or unconscionable abuse of official positon or power or that would undermine the integrity or impartiality of a reasonable person under the same or similar circumstances. Section 84 of this bill establishes similar provisions applicable to legislative officers and employees.

Existing law restricts public officers and employees from representing or counseling private persons before certain public agencies. (NRS 281A.410) Section 85 of this bill establishes similar provisions for the purpose of legislative officers and employees.

Existing law prohibits public officers and employees from taking certain actions relating to contracts between the governmental entity and a business entity in which the public officer or employee has a significant pecuniary interest. (NRS 281A.430) Section 86 of this bill establishes similar provisions applicable to legislative officers and employees.

Existing law prohibits a public officer or employee from accepting or receiving an honorarium under certain circumstances. (NRS 281A.510) Section 87 of this bill establishes similar provisions for the purpose of legislative officers and employees.

Existing law prohibits a public officer or employee from requesting or otherwise causing a governmental entity to incur certain expenses or make expenditures to support or oppose ballot questions or candidates under certain circumstances. (NRS 281A.520) Section 88 of this bill establishes similar provisions prohibiting legislative officers and employees from engaging in such acts with regard to the Legislative Department.

Existing law establishes certain "cooling-off" periods for former public officers and employees under certain circumstances. (NRS 281A.550) Section 89 of this bill establishes similar provisions relating to legislative officers and employees.

Existing law authorizes the Attorney General or the appropriate district attorney to void certain grants, contracts or leases entered into in violation of the Ethics Law. (NRS 281A.540) Section 90 of this bill similarly authorizes the Attorney General or a district attorney to take such actions for the purpose of voiding a grant, contract or lease entered into in violation of the Legislative Ethics Law.

To carry out and enforce the Legislative Ethics Law, sections 91, 95 and 99 of this bill create the Senate Commission on Ethics (Senate Commission), Assembly Commission on Ethics (Assembly Commission) and Joint Commission on Ethics (Joint Commission) and provide for the appointment and terms of their respective members. Section 117 of this bill directs the appointment and terms of the initial members of each Commission.

<u>Under section 94 of this bill, the Senate Commission has jurisdiction to:</u>
(1) hear ethics complaints brought against legislative officers and

employees of the Senate; and (2) hear requests brought by such persons for advice on the legislative ethical standards.

Under section 98 of this bill, the Assembly Commission has jurisdiction to: (1) hear ethics complaints brought against legislative officers and employees of the Assembly; and (2) hear requests brought by such persons for advice on the legislative ethical standards.

Under section 102 of this bill, the Joint Commission has jurisdiction to: (1) hear ethics complaints brought against legislative officers and employees other than the officers or employees of the Senate or Assembly; and (2) hear requests brought by such persons for advice on the legislative ethical standards.

Section 104 of this bill authorizes the Senate Commission, Assembly Commission and Joint Commission, as applicable, to conduct investigations and hold hearings to carry out the Legislative Ethics Law.

Section 105 of this bill provides that all proceedings of the Senate Commission, Assembly Commission or Joint Commission, as applicable, relating to the character, alleged misconduct, professional competence or physical or mental health of any person on matters regarding the legislative ethical standards and the materials relating thereto are confidential, unless the person subject to the proceedings waives such confidentiality.

Section 106 of this bill provides that a member of the Senate Commission, Assembly Commission or Joint Commission, as applicable, is disqualified from serving in the consideration of a matter if: (1) the member is the subject of the ethics complaint; (2) the member requested advice on the issue under consideration; or (3) a reasonable person in the member's situation could not exercise independent judgment on the matter.

Section 107 of this bill authorizes an individual to file with the Legislative Counsel an ethics complaint against a legislative officer or employee. Section 107 requires the Legislative Counsel to review the ethics complaint and consult with the Chair of the Senate Commission, Assembly Commission or Joint Commission, as applicable, to determine whether the Commission has jurisdiction over the complaint and whether an investigation is warranted in the matter. Finally, section 107 requires that: (1) if it is determined that the Commission does not have jurisdiction or an investigation is not warranted, the Legislative Counsel must send a written notice of such a determination to the individual who filed the ethics complaint; or (2) if it is determined that the Commission has jurisdiction and an investigation is warranted, the Legislative Counsel must send a written notice of the determination and a copy of the ethics complaint to the person who is subject to the ethics complaint. Section 80 of this bill requires the ethics complaint to be filed within 2 years of the alleged violation or reasonable discovery of the alleged violation.

If the Senate Commission, Assembly Commission or Joint Commission, as applicable, holds an adjudicatory hearing on an ethics complaint, section 108 of this bill establishes various procedural and evidentiary requirements for the adjudicatory hearing, including the burden and standard of proof.

Section 109 of this bill requires the Senate Commission, Assembly Commission or Joint Commission, as applicable, to dismiss an ethics complaint if the Commission finds that the violation of the legislative ethical standards has not been proven.

Alternatively, if the Senate Commission, Assembly Commission or Joint Commission, as applicable, finds that a violation of the legislative ethical standards has occurred, sections 109-111 of this bill authorize the Commission to: (1) issue a letter of caution or instruction to the legislative officer or employee; (2) admonish, reprimand or censure the legislative officer or employee; (3) impose civil penalties on the legislative officer or employee; or (4) take any other reasonable actions that the Commission determines will remedy the violation or deter similar violations, including referring the matter to the appropriate House for review and consideration.

Section 112 of this bill also requires the Senate Commission, Assembly Commission or Joint Commission, as applicable, to refer the matter to the Attorney General or the district attorney, as appropriate, if the Commission believes that the violation of the legislative ethical standards constitutes a crime.

Section [55] 113 of this bill makes a conforming change to the Public Records Law relating to: (1) the confidentiality of materials provided by the Ethics Commission to other enforcement agencies and officers pursuant to section 12. Section 56 of this bill makes a conforming change relating to section 9.; and (2) the confidentiality of materials relating to proceedings held by the Senate Commission, Assembly Commission or Joint Commission, as applicable, pursuant to section 105.

__Section [58] 116 of this bill addresses the applicability of the amendatory provisions of [this bill] sections 2-54 to administrative proceedings and conduct subject to the Ethics Law that occurred before July 1, 2021. Section 118 of this bill provides for the transition of jurisdiction for ethics proceedings brought against legislative officers and employees.

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

Section 1. 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 281.5555 to 281.581, inclusive. [, or in the form approved by the Secretary of State for a specialized or local ethics committee pursuant to NRS 281A.350.]

- **Sec. 2.** Chapter 281A of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 12, inclusive, of this act.
 - Sec. 3. "Chair" means:
 - 1. The Chair of the Commission; or
- 2. The Vice Chair or another member of the Commission serving in the capacity of the Chair pursuant to NRS 281A.210.
- Sec. 4. "Party" means, for the purposes of the adjudication and disposition of proceedings concerning an ethics complaint pursuant to this chapter:
 - 1. The Executive Director or his or her designee; and
- 2. The public officer or employee who is the subject of the ethics complaint.
- Sec. 5. "Published opinion" means an opinion issued by the Commission that is publicly available on the Internet website of the Commission.
- Sec. 6. "Statutory ethical standards" means the statutory ethical standards set forth in the provisions of this chapter.
- Sec. 7. 1. The provisions of this chapter establish statutory ethical standards to govern the conduct of:
 - (a) Public officers and employees; and
- (b) Former public officers and employees in situations where the statutory ethical standards apply to the conduct of former public officers and employees after the end of any period of public service or employment.
- 2. The statutory ethical standards are cumulative and supplement each other, and the application of any one of the statutory ethical standards to a given set of facts and circumstances does not bar the application of any other of the statutory ethical standards that also apply to the given set of facts and circumstances.
- Sec. 8. 1. Except as otherwise provided in this section, every public officer or employee of the State or one of its political subdivisions, regardless of whether he or she is otherwise subject to the provisions of this chapter, shall cooperate with the Commission in any lawful investigations or proceedings of the Commission and furnish information and reasonable assistance to the Commission or its authorized representative, except to the extent that the public officer or employee is entitled to:
- (a) Any right, privilege or immunity recognized by law, other than any common-law privilege or immunity abrogated pursuant to NRS 281A.185; or
 - (b) Any confidentiality or other protection recognized by law.
- 2. If a public officer or employee is entitled to any protection pursuant to paragraph (a) or (b) of subsection 1, that protection extends only to matters within the scope of the protection, and the public officer or employee shall comply with the provisions of subsection 1 to the fullest extent possible regarding all matters outside of the scope of the protection.

- 3. Before a public officer or employee is required to comply with the provisions of subsection 1 and during the course of any investigations or proceedings of the Commission or its authorized representative, the public officer or employee is entitled to be represented by and consult with legal counsel, including, without limitation, the legal counsel of his or her public body, agency or employer.
- 4. If legal counsel is a public officer or employee, the provisions of this section do not impose any duties on legal counsel that would adversely affect his or her attorney-client relationship with or representation of any public officer or employee who is the subject of an ethics complaint or who consults with legal counsel on matters related to this chapter.
- Sec. 9. During any period in which proceedings concerning a request for an advisory opinion or an ethics complaint are confidential pursuant to this chapter, the provisions of chapter 241 of NRS do not apply to any meeting or hearing held by the Commission or any deliberations or actions of the Commission involving:
- 1. Any decisions in litigation concerning any judicial action or proceeding related to the request for an advisory opinion or the ethics complaint; or
- 2. Any delegation of authority to make such decisions in the litigation to the Chair or the Executive Director, or both, pursuant to NRS 241.0357.
- Sec. 10. 1. A public officer or employee shall not use the public officer's or employee's position or power in government to take any actions or compel a subordinate to take any actions that a reasonable person would find, based on the given set of facts and circumstances, to be a gross or unconscionable abuse of official position or power that would undermine the integrity or impartiality of a reasonable person in the public officer's or employee's position under the same or similar facts and circumstances.
- 2. The provisions of this section must not be interpreted to apply to any allegations claiming only bias, error or abuse of discretion in any findings, decisions, policy-making or other actions taken by a public officer or employee within the normal course and scope of his or her position or power in government.
- Sec. 11. A list of each public officer who is required to file an acknowledgment of the statutory ethical standards in accordance with NRS 281A.500 must be submitted electronically to the Commission, in the form prescribed by the Commission, on or before December 1 of each year by:
- 1. For an appointed public officer, the appointing authority of the public officer, including, without limitation:
- (a) The manager of each local agency for a public officer of a local agency; and
- (b) [The Director of the Legislative Counsel Bureau for a public officer of the Legislative Department of the State Government; and

-(c)] The Director of the Department of Administration, or his or her designee, for a public officer of the Executive Department of the State Government; and

- 2. For an elected public officer of:
- (a) A county and other political subdivisions within the county except cities, the county clerk;
 - (b) A city, the city clerk; and
- (c) | The Legislative Department of the State Government, the Director of the Legislative Counsel Bureau; and
- $\frac{-(d)}{}$ The Executive Department of the State Government, the Director of the Department of Administration, or his or her designee.
- Sec. 12. 1. After the resolution of an ethics complaint, the Commission may provide any information obtained during the course of an investigation of the ethics complaint to:
- (a) The Attorney General or appropriate district attorney for the purpose of prosecuting a criminal action in this State; or
- (b) Any federal law enforcement agency investigating a criminal violation of federal law by a public officer or employee.
- 2. If the Commission determines that it does not have jurisdiction or does not direct the Executive Director to conduct an investigation of an ethics complaint pursuant to NRS 281A.715, and the Executive Director reasonably believes that the alleged conduct may be properly addressed within the jurisdiction of another state or local agency, the Executive Director may refer all or a portion of the information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the allegations in the ethics complaint to that state or local agency. Such a referral must not include a copy of any ethics complaint or reveal the identity of the requester of any such ethics complaint.
- 3. All information, communications, records, documents and other materials that are related to the allegations in an ethics complaint that are provided to another agency pursuant to this section are confidential and are not public records pursuant to chapter 239 of NRS, unless those materials become publicly available in a manner authorized by applicable state law.
 - Sec. 12.5. NRS 281A.020 is hereby amended to read as follows:
- 281A.020 1. It is hereby declared to be the public policy of this State that:
- (a) A public office is a public trust and shall be held for the sole benefit of the people.
- (b) A public officer or employee must commit himself or herself to avoid conflicts between the private interests of the public officer or employee and those of the general public whom the public officer or employee serves.
 - 2. The Legislature finds and declares that:
- (a) The increasing complexity of state and local government, more and more closely related to private life and enterprise, enlarges the potentiality for conflict of interests.

- (b) To enhance the people's faith in the integrity and impartiality of public officers and employees, adequate guidelines are required to show the appropriate separation between the roles of persons who are both public servants and private citizens.
- (c) [In interpreting and applying the provisions of this chapter that are applicable to State Legislators, the Commission must give appropriate weight and proper deference to the public policy of this State under which State Legislators serve as "citizen Legislators" who have other occupations and business interests, who are expected to have particular philosophies and perspectives that are necessarily influenced by the life experiences of the Legislator, including, without limitation, professional, family and business experiences, and who are expected to contribute those philosophies and perspectives to the debate over issues with which the Legislature is confronted.

 (d)] The provisions of this chapter do not, under any circumstances, allow the Commission to exercise jurisdiction or authority over [or inquire into, intrude upon or interfere with the functions of a]:
- (1) Any State Legislator [that are protected by legislative privilege and immunity pursuant to the Constitution of the State of Nevada or NRS 41.071.] or other legislative officer as defined in section 73 of this act; or
- (2) Any legislative employee as defined in section 71 of this act,

 we except that if such a person holds another position outside of his or her legislative office or employment that is subject to the jurisdiction of the Commission pursuant to this chapter, the Commission may exercise jurisdiction or authority over that person but only for conduct arising out of the other position.
 - **Sec. 13.** NRS 281A.030 is hereby amended to read as follows:
- 281A.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 281A.032 to 281A.170, inclusive, *and sections 3 to 6, inclusive, of this act* have the meanings ascribed to them in those sections.
 - **Sec. 14.** NRS 281A.032 is hereby amended to read as follows:
- 281A.032 "Adjudicatory hearing" means a hearing held by the Commission pursuant to NRS 281A.745 to receive evidence *and render a decision* concerning an ethics complaint. [and render an opinion in the matter.]
 - Sec. 15. NRS 281A.033 is hereby amended to read as follows:
- 281A.033 "Advisory opinion" means an advisory opinion [rendered] issued by the Commission pursuant to NRS 281A.670 to 281A.690, inclusive.
 - **Sec. 16.** NRS 281A.065 is hereby amended to read as follows:
- 281A.065 "Commitment in a private [capacity," with respect to the interests of another person,] capacity" means a private commitment, interest or relationship of a public officer or employee to: [a person:]
- 1. [Who is the] *The* spouse or domestic partner of the public officer or employee;
- 2. [Who is a] A member of the household of the public officer or employee;

- 3. [Who is related to] A relative of the public officer or employee, or [to] the spouse or domestic partner of the public officer or employee, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity;
- 4. [Who employs] *The employer of* the public officer or employee, the spouse or domestic partner of the public officer or employee or a member of the household of the public officer or employee;
- 5. [With] A person with whom the public officer or employee has a substantial and continuing business relationship; or
- 6. [With] A person with whom the public officer or employee has any other *private* commitment, interest or relationship that is substantially similar to a *private* commitment, interest or relationship described in subsections 1 to 5, inclusive.

Sec. 16.5. NRS 281A.080 is hereby amended to read as follows:

- 281A.080 1. The making of a "decision" is the exercise of governmental power to adopt laws, regulations or standards, render quasi-judicial decisions, establish executive policy or determine questions involving substantial discretion.
 - 2. The term does not include:
 - (a) The functions of the judiciary.
- (b) The functions of [a] <u>any</u> State Legislator [that are protected by legislative privilege and immunity pursuant to the Constitution of the State of Nevada or NRS 41.071.] or other legislative officer as defined in section 73 of this act.
 - Sec. 17. NRS 281A.088 is hereby amended to read as follows:
- 281A.088 "Ethics complaint" means [a request for an opinion] an ethics complaint which is filed with the Commission or initiated by the Commission on its own motion pursuant to NRS 281A.710 regarding the propriety of the conduct of a public officer or employee under the statutory ethical standards. [set forth in this chapter.]
 - **Sec. 18.** NRS 281A.135 is hereby amended to read as follows:
- 281A.135 1. "Opinion" means an opinion [rendered] issued by the Commission in accordance with the provisions of this chapter.
- 2. The term includes, without limitation, the disposition of an ethics complaint by stipulation, agreed settlement, consent order or default as authorized by NRS 233B.121.

Sec. 18.5. NRS 281A.150 is hereby amended to read as follows:

- 281A.150 <u>1.</u> "Public employee" means any person who:
- [1-] (a) Performs public duties under the direction and control of a public officer for compensation paid by the State or any county, city or other political subdivision: or
- [2.] (b) Is designated as a public employee for the purposes of this chapter pursuant to NRS 281A.182.
- 2. "Public employee" does not include any legislative employee as defined in section 71 of this act.

Sec. 18.7. NRS 281A.160 is hereby amended to read as follows:

281A.160 1. "Public officer" means a person who is:

- (a) Elected or appointed to a position which:
- (1) Is established by the Constitution of the State of Nevada, a statute of this State or a charter or ordinance of any county, city or other political subdivision; and
 - (2) Involves the exercise of a public power, trust or duty; or
- (b) Designated as a public officer for the purposes of this chapter pursuant to NRS 281A.182.
- 2. As used in this section, "the exercise of a public power, trust or duty" means:
- (a) Actions taken in an official capacity which involve a substantial and material exercise of administrative discretion in the formulation of public policy;
 - (b) The expenditure of public money; and
- (c) The administration of laws and rules of the State or any county, city or other political subdivision.
 - 3. "Public officer" does not include:
 - (a) Any justice, judge or other officer of the court system;
- (b) <u>Any State Legislator or other legislative officer as defined in section</u> 73 of this act;
- <u>(c)</u> Any member of a board, commission or other body whose function is advisory;
- **[(e)]** (d) Any member of a special district whose official duties do not include the formulation of a budget for the district or the authorization of the expenditure of the district's money; or

[(d)] (e) A county health officer appointed pursuant to NRS 439.290.

- 4. "Public office" does not include an office held by:
- (a) Any justice, judge or other officer of the court system;
- (b) <u>Any State Legislator or other legislative officer as defined in section</u> 73 of this act;
- <u>(c)</u> Any member of a board, commission or other body whose function is advisory;
- **[(e)]** (d) Any member of a special district whose official duties do not include the formulation of a budget for the district or the authorization of the expenditure of the district's money; or

(d) (e) A county health officer appointed pursuant to NRS 439.290.

- Sec. 19. NRS 281A.161 is hereby amended to read as follows:
- 281A.161 "Request for an advisory opinion" means a request for an advisory opinion which is filed with the Commission pursuant to NRS 281A.675. [by a public officer or employee who is:
- 1. Seeking guidance on matters which directly relate to the propriety of his or her own past, present or future conduct as a public officer or employee under the statutory ethical standards set forth in this chapter; or
- 2. Requesting relief pursuant to NRS 281A.410, 281A.430 or 281A.550.

- Sec. 20. NRS 281A.210 is hereby amended to read as follows:
- 281A.210 1. The Commission shall |:
- (a) At at its first meeting and annually thereafter elect a Chair and Vice Chair from among its members.

(b) Meet

- 2. If the Chair is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Vice Chair shall exercise the powers and functions and perform the duties of the Chair concerning that particular matter. If the Chair and Vice Chair are prohibited from acting on a particular matter or are otherwise unable to act on a particular matter, another member of the Commission who is designated in accordance with the regulations of the Commission shall exercise the powers and functions and perform the duties of the Chair concerning that particular matter.
- 3. The Commission shall meet regularly at least once in each calendar quarter, unless there are no ethics complaints or requests for advisory opinions pursuant to this chapter, and at other times upon the call of the Chair.
- [2.] 4. Members of the Commission are entitled to receive a salary of not more than \$80 per day, as fixed by the Commission, while engaged in the business of the Commission.
- [3.] 5. While engaged in the business of the Commission, each member and employee of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- [4.] 6. The Commission may, within the limits of legislative appropriation, maintain such facilities as are required to carry out its functions.
 - Sec. 21. NRS 281A.220 is hereby amended to read as follows:
- 281A.220 1. The Chair shall appoint one or more review panels of three members of the Commission on a rotating basis to perform the functions assigned to such review panels pursuant to this chapter.
- 2. The Chair and Vice Chair of the Commission may not serve together on a review panel.
- 3. Not more than two members of a review panel may be members of the same political party.
- 4. If a review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in a matter, the members of the review panel shall not participate in any further proceedings of the Commission relating to that matter [...], except that:
- (a) One or more members of the review panel may, with the consent of the parties, participate as mediators or facilitators in any settlement negotiations between the parties that are conducted before an adjudicatory hearing in the matter.
- (b) The members of the review panel may authorize the development of or approve a deferral agreement pursuant to NRS 281A.730.

- Sec. 22. [NRS 281A.230 is hereby amended to read as follows:
- 281A.230 1. The Commission shall appoint, within the limits of legislative appropriation, an Executive Director who shall perform the duties set forth in this chapter and such other duties as may be prescribed by the Commission.
- 2. The Executive Director must be an attorney who is licensed to practice law in this State and must have experience in administration, investigations and law.
- The Executive Director is in the unclassified service of the State.
- 4. The Executive Director shall devote the Executive Director's entire time and attention to the business of the Commission and shall not pursue any other business or occupation or hold any other office of profit that detracts from the full and timely performance of the Executive Director's duties.
- The Executive Director may not:
- (a) Be actively involved in the work of any political party or political campaign; or
- (b) Except in pursuit of the business of the Commission, communicated directly or indirectly with a State Legislator or a member of a local legislative body on behalf of someone other than the Executive Director to influence:
- (1) The State Legislator with regard to introducing or voting upon any matter or taking other legislative action; or
- (2) The member of the local legislative body with regard to introducing or voting upon any ordinance or resolution, taking other legislative action or voting upon:
 - (I) The appropriation of public money:
 - (II) The issuance of a license or permit: or
- (III) Any proposed subdivision of land or special exception or variance from zoning regulations.] (Deleted by amendment.)
 - **Sec. 23.** NRS 281A.240 is hereby amended to read as follows:
- 281A.240 1. In addition to any other duties imposed upon the Executive Director, the Executive Director shall:
- (a) Maintain complete and accurate records of all transactions and proceedings of the Commission.
- (b) Receive ethics complaints and requests for advisory opinions pursuant to this chapter.
- (c) Gather information and conduct investigations regarding ethics complaints and requests for advisory opinions pursuant to this chapter.
- (d) [Submit] **Present** recommendations to the review panel regarding whether there is just and sufficient cause for the Commission to render **a decision and issue** an opinion in a matter.
- (e) Recommend to the Commission any regulations or legislation that the Executive Director considers desirable or necessary to improve the operation of the Commission and maintain high standards of ethical conduct in government.

- (f) Upon the request of any public officer or the employer of a public employee, conduct training on the requirements of this chapter, the rules and regulations adopted by the Commission and <code>[previous]</code> the published opinions of the Commission. In any such training, the Executive Director shall emphasize that the Executive Director is not a member of the Commission and that only the Commission may issue opinions concerning the application of the statutory ethical standards to any given set of facts and circumstances. The Commission may charge a reasonable fee to cover the costs of training provided by the Executive Director pursuant to this paragraph.
- (g) Perform such other duties, not inconsistent with law, as may be required by the Commission.
- 2. The Executive Director shall, within the limits of legislative appropriation, employ such persons as are necessary to carry out any of the Executive Director's duties relating to:
 - (a) The administration of the affairs of the Commission; and
 - (b) The investigation of matters under the jurisdiction of the Commission.
- 3. If the Executive Director is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Chair [of the Commission] shall designate a qualified person to perform the duties of the Executive Director with regard to that particular matter.
 - **Sec. 24.** NRS 281A.260 is hereby amended to read as follows:
- 281A.260 1. The Commission Counsel is the legal adviser to the Commission. For each *written* opinion of the Commission, the Commission Counsel shall prepare, at the direction of the Commission [17] or as required pursuant to this chapter, the appropriate findings of fact and conclusions as to the relevant statutory ethical standards and the propriety of particular conduct. The Commission Counsel shall not issue written opinions concerning the applicability of the statutory ethical standards to a given set of facts and circumstances except as directed by the Commission.
- 2. The Commission may rely upon the legal advice of the Commission Counsel in conducting its daily operations.
- 3. Except as otherwise provided in this section or directed by the Commission, in litigation concerning any judicial action or proceeding in which the Commission or any member or employee of the Commission is a party in an official capacity or participates or intervenes in an official capacity, the Commission Counsel shall represent and act as legal counsel to the Commission or any member or employee of the Commission in the action or proceeding.
- 4. The provisions of subsection 3 do not apply to litigation concerning any judicial action or proceeding in which the Commission:
- (a) Requests that the Attorney General appoint a deputy to act in the place of the Commission Counsel; or
 - (b) Employs outside legal counsel.
- 5. The Commission Counsel shall not represent and act as legal counsel for the Executive Director in any judicial action or proceeding in which the

Executive Director is named as a party based upon conduct in the official capacity of the Executive Director as a party to an adjudicatory proceeding.

- **6.** If the Commission Counsel is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Commission may:
- (a) Request that the Attorney General appoint a deputy to act in the place of the Commission Counsel; or
 - (b) Employ outside legal counsel.
 - Sec. 25. NRS 281A.280 is hereby amended to read as follows:
- 281A.280 1. Except as otherwise provided in this section, the Commission has jurisdiction to finvestigate!:
- (a) Gather information and issue an advisory opinion in any proceeding commenced by a request for an advisory opinion that is filed with the Commission, except that the Commission does not have jurisdiction to issue an advisory opinion on matters which directly relate to the propriety of past conduct occurring more than 2 years before the date on which the request for an advisory opinion is filed with the Commission.
- **(b)** Investigate and take appropriate action regarding an alleged violation of this chapter by a [public officer or employee] current or former public officer or employee in any proceeding commenced by an ethics complaint, which is filed with the Commission or initiated by the Commission on its own motion, within 2 years after the alleged violation or reasonable discovery of the alleged violation.
- (c) Investigate and take appropriate action regarding an alleged violation of subsection 3 of NRS 281A.790 by a current or former public officer or employee or any other person in any proceeding commenced by a written notice of the charges, which is initiated by the Commission on its own motion, within 2 years after the alleged violation or reasonable discovery of the alleged violation.
- 2. The Commission does not have jurisdiction regarding alleged conduct by a **[public officer or employee]** *current* or former public officer or employee for which:
- (a) A complaint may be filed or, if the applicable limitations period has expired, could have been filed with the United States Equal Employment Opportunity Commission or the Nevada Equal Rights Commission; or
- (b) A complaint or employment-related grievance may be filed or, if the applicable limitations period has expired, could have been filed with another appropriate agency with jurisdiction to redress alleged discrimination or harassment, including, without limitation, a state or local employeemanagement relations board or similar state or local agency,
- → but any bar on the Commission's jurisdiction imposed by this subsection applies only to the extent that it pertains to the alleged discrimination or harassment, and this subsection does not deprive the Commission of jurisdiction regarding the alleged conduct if such conduct is sanctionable

separately or concurrently under the provisions of this chapter, irrespective of the alleged discrimination or harassment.

- 3. For the purposes of this section, a proceeding is commenced [:] by an ethics complaint:
- (a) On the date on which [an] the ethics complaint is filed in the proper form with the Commission in accordance with the regulations of the Commission; or
- (b) If the ethics complaint is initiated by the Commission on its own motion, on the date on which the Commission serves the **[public officer or employee]** current or former public officer or employee with a written notice of the investigation of the ethics complaint in accordance with the regulations of the Commission.
 - Sec. 26. NRS 281A.290 is hereby amended to read as follows:
 - 281A.290 The Commission shall:
- 1. Adopt procedural regulations that are necessary and proper to carry out the provisions of this chapter, including, without limitation:
 - (a) To facilitate the receipt of inquiries by the Commission;
- (b) For the filing of an ethics complaint or a request for an advisory opinion with the Commission;
- (c) For the withdrawal of an ethics complaint or a request for an advisory opinion by the person who filed the ethics complaint or request;
- (d) To facilitate the prompt rendition *of decisions and the issuance* of opinions by the Commission; and
- (e) For proceedings concerning an ethics complaint, to facilitate written discovery requests submitted pursuant to NRS 281A.750 and 281A.755 and the disclosure of evidence in the manner required by those sections, including, without limitation, the disclosure of evidence obtained by or on behalf of the Executive Director during the course of the investigation that affirmatively and substantively disproves any alleged violation of this chapter that is related to the ethics complaint and has been referred to the Commission for an adjudicatory hearing.
- 2. Prescribe, by regulation, forms and procedures for the submission of [statements of acknowledgment] acknowledgments of the statutory ethical standards filed by public officers pursuant to NRS 281A.500, maintain files of such [statements] acknowledgments and make the [statements] acknowledgments available for public inspection.
- 3. Cause the making of such investigations as are reasonable and necessary for the rendition *of decisions and the issuance* of [its] opinions pursuant to this chapter.
- 4. Inform the Attorney General or district attorney of all cases of noncompliance with the requirements of this chapter.
- 5. Recommend to the Legislature such further legislation as the Commission considers desirable or necessary to promote and maintain high standards of ethical conduct in government.

- 6. Publish [a manual] materials for the use of public officers and employees that [explains] explain the requirements of this chapter.

 [The Legislative Counsel shall prepare annotations to this chapter for inclusion in the Nevada Revised Statutes based on the published opinions of the Commission.]
 - Sec. 27. NRS 281A.300 is hereby amended to read as follows:
- 281A.300 1. The Chair [and Vice Chair] or a member of the Commission appointed by the Chair to preside over any meetings, hearings and proceedings may administer oaths [.] or direct a certified court reporter or other authorized person to administer oaths.
- 2. The Commission, upon majority vote, may issue a subpoena to compel the attendance of a witness and the production of any books and papers for any hearing before the Commission.
- 3. [Upon] Except as otherwise provided in this subsection, upon the request of the Executive Director, the Chair [or, in the Chair's absence, the Vice Chair,] may issue a subpoena during the course of any investigation to compel the participation of a potential witness and the production of any books and papers [during the course of any investigation.], including, without limitation, information, records and documentation regarding personnel records maintained by an agency concerning the conduct of a public officer or employee, including, notwithstanding any other provision of law to the contrary, records otherwise deemed by law to be confidential, that relate to issues under consideration in an ethics complaint. A request by the Executive Director for a subpoena pursuant to this subsection may not include a request for records related to a concurrent, pending criminal investigation where such records are otherwise protected as confidential.
- 4. Upon the request of the Executive Director or the public officer or employee who is the subject of an ethics complaint, the Chair [or, in the Chair's absence, the Vice Chair,] may issue a subpoena to compel the attendance of a witness and the production of any books and papers for any hearing before the Commission. A public officer or employee who requests the issuance of a subpoena pursuant to this subsection must serve the subpoena in the manner provided in the Nevada Rules of Civil Procedure for service of subpoenas in a civil action and must pay the costs of such service.
- 5. Before [issuing] the Chair issues a subpoena directed to [a] the public officer or employee who is the subject of an ethics complaint to compel his or her participation in any investigation, his or her attendance as a witness or his or her production of any books and papers, the Executive Director shall submit a written request to the public officer or employee requesting:
- (a) The voluntary participation of the public officer or employee in the investigation;
- (b) The voluntary attendance of the public officer or employee as a witness; or
- (c) The voluntary production by the public officer or employee of any books and papers relating to the ethics complaint.

- 6. Each written request submitted by the Executive Director pursuant to subsection 5 must specify the time and place for the voluntary participation of the public officer or employee in the investigation, attendance of the public officer or employee as a witness or production of any books and papers, and designate with certainty the books and papers requested, if any.
- 7. If the public officer or employee fails or refuses to respond to the Executive Director's written request pursuant to subsection 5 to voluntarily participate or attend at the time and place specified or produce the books and papers requested by the Executive Director within 5 business days after receipt of the written request, the Chair [or, in the Chair's absence, the Vice Chair,] may issue the subpoena. Failure of the public officer or employee to comply with the written request of the Executive Director shall be deemed a waiver by the public officer or employee of the time limits set forth in NRS 281A.700 to 281A.790, inclusive, and section 12 of this act, that apply to proceedings concerning the ethics complaint.
- 8. If any witness fails or refuses to participate, attend, testify or produce any books and papers as required by the subpoena, the Chair [or, in the Chair's absence, the Vice Chair,] may report to the district court by petition, setting forth that:
- (a) Due notice has been given of the time and place of the participation or attendance of the witness or the production of the books and papers;
 - (b) The witness has been subpoenaed pursuant to this section; and
- (c) The witness has failed or refused to participate, attend, testify or produce the books and papers as required by the subpoena, or has failed or refused to answer questions propounded to the witness,
- → and asking for an order of the court compelling the witness to participate, attend, testify or produce the books and papers as required by the subpoena.
- 9. Upon such a petition, the court shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order, and then and there show cause why the witness has not participated, attended, testified or produced the books or papers as required by the subpoena. A certified copy of the order must be served upon the witness.
- 10. If [it appears to], at the hearing to show cause, the court finds that the subpoena was regularly issued pursuant to this section [] and that the witness has not proven a reason recognized by law for the failure to comply with its provisions, the court shall enter an order that the witness comply with the subpoena, at the time and place fixed in the order, and participate, attend, testify or produce the required books and papers. Upon failure to obey the order, the witness must be dealt with as for contempt of court.
- 11. Any court proceeding commenced pursuant to this section is deemed good cause for the Commission to grant an extension of the time limits set forth in NRS 281A.700 to 281A.790, inclusive, and section 12 of this act, that apply to proceedings concerning the ethics complaint.

- **Sec. 28.** NRS 281A.350 is hereby amended to read as follows:
- 281A.350 1. Any state agency or the governing body of a county or an incorporated city may establish a specialized or local ethics committee to complement the functions of the Commission. A specialized or local ethics committee may:
- (a) Establish a code of ethical standards suitable for the particular ethical problems encountered in its sphere of activity. The standards may not be less restrictive than the statutory ethical standards.
- (b) Render a decision and issue an opinion upon the request of any public officer or employee of its own organization or level seeking an interpretation of its code of ethical standards on questions directly related to the propriety of the public officer's or employee's own future official conduct [or], but the committee may refer the request to the Commission [-] if the response to the request requires the Commission to interpret the statutory ethical standards and apply those standards to the given set of facts and circumstances. If the request is referred to the Commission, it shall be deemed to be a request for an advisory opinion filed by the public officer or employee with the Commission pursuant to NRS 281A.675. Any public officer or employee subject to the jurisdiction of the committee shall direct the public officer's or employee's [inquiry] request to that committee first instead of the Commission.
- [(c) Require the filing of financial disclosure statements by public officers on forms prescribed by the committee or the city clerk if the form has been:
- (1) Submitted, at least 60 days before its anticipated distribution, to the Secretary of State for review; and
- (2) Upon review, approved by the Secretary of State. The Secretary of State shall not approve the form unless the form contains all the information required to be included in a financial disclosure statement pursuant to NRS 281.571.
- 2. [The Secretary of State is not responsible for the costs of producing or distributing a form for filing a financial disclosure statement pursuant to the provisions of subsection 1.
- $\frac{3.1}{4}$ A specialized or local ethics committee shall not attempt to interpret *the statutory ethical standards* or render *a decision and issue* an opinion regarding the statutory ethical standards.
- [4.] 3. Each request for an opinion submitted by a public officer or employee to a specialized or local ethics committee, each hearing held by the committee to obtain information on which to [base] render a decision and issue an opinion, all deliberations by the committee relating to [an] the decision and opinion, each [opinion] decision rendered and opinion issued by [a] the committee and any motion relating to the decision and opinion are confidential unless:
- (a) The $\{\text{public officer or employee}\}\ requester$ acts in contravention of the decision or opinion; or

- (b) The requester discloses the **[content]** contents of the decision or opinion.
 - **Sec. 29.** NRS 281A.400 is hereby amended to read as follows:
- 281A.400 [A code of ethical standards is hereby established to govern the conduct of public officers and employees:]
- 1. A public officer or employee shall not seek or accept any gift, service, favor, employment, engagement, emolument or economic opportunity, for the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity, which would tend improperly to influence a reasonable person in the public officer's or employee's position to depart from the faithful and impartial discharge of the public officer's or employee's public duties.
- 2. A public officer or employee shall not use the public officer's or employee's position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest or any person to whom the public officer or employee has a commitment in a private capacity. As used in this subsection, "unwarranted" means without justification or adequate reason.
- 3. A public officer or employee shall not participate as an agent of government in the negotiation or execution of a contract between the government and the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest or any person to whom the public officer or employee has a commitment in a private capacity.
- 4. A public officer or employee shall not accept any salary, retainer, augmentation, expense allowance or other compensation from any private source, for the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity, for the performance of the public officer's or employee's duties as a public officer or employee.
- 5. If a public officer or employee acquires, through the public officer's or employee's public duties or relationships, any information which by law or practice is not at the time available to people generally, the public officer or employee shall not use the information to further a significant pecuniary interest of the public officer or employee or any other person or business entity.
- 6. A public officer or employee shall not suppress any governmental report or other official document because it might tend to affect unfavorably a significant pecuniary interest of the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity.
- 7. [Except for State Legislators who are subject to the restrictions set forth in subsection 8, a] A public officer or employee shall not use governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest of the public officer or employee or any person to whom the

public officer or employee has a commitment in a private capacity. This subsection does not prohibit:

- (a) A limited use of governmental property, equipment or other facility for personal purposes if:
 - (1) [The] At the time that the use occurs, the use is:
- (I) Authorized by a written policy which was adopted before the use occurs by the public officer or employee who is responsible for and has authority to authorize the use of such property, equipment or other facility [has established a policy allowing the use or the use is necessary]; or
- (II) Necessary as a result of emergency circumstances $\frac{[\cdot]}{[\cdot]}$, whether or not the use is authorized by such a written policy;
- (2) The use does not interfere with the performance of the public officer's or employee's public duties;
 - (3) The cost or value related to the use is nominal; and
 - (4) The use does not create the appearance of impropriety;
- (b) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or
- (c) The use of telephones or other means of communication if there is not a special charge for that use.
- → If a governmental agency incurs a cost as a result of a use that is authorized pursuant to this subsection or would ordinarily charge a member of the general public for the use, the public officer or employee shall promptly reimburse the cost or pay the charge to the governmental agency.
 - 8. IA State Legislator shall not:
- (a) Use governmental time, property, equipment or other facility for a nongovernmental purpose or for the private to benefit a significant personal or pecuniary interest of the State Legislator or any other person. to whom the State Legislator has a commitment in a private capacity. This paragraph does not prohibit:
- (1) A limited use of state-governmental property and resources-, equipment or other facility for personal purposes if:
- (I) The use does not interfere with the performance of the State Legislator's public duties:
 - (II) The cost or value related to the use is nominal; and
 - (III) The use does not create the appearance of impropriety;
- (2) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or
- (3) The use of telephones or other means of communication if there is no a special charge for that use.
- (b) Require or authorize a legislative employee, while on duty, to perform personal services or assist in a private activity, except:

- (1) In unusual and infrequent situations where the *legislative* employee's service is reasonably necessary to permit the State Legislator or legislative employee to perform that person's official duties; or
- (2) Where such service has otherwise been established as legislative policy.
- 9.1 A public officer or employee shall not attempt to benefit a significant personal or pecuniary interest of the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity through the influence of a subordinate.
- [10.] 9. A public officer or employee shall not seek other employment or contracts for the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity through the use of the public officer's or employee's official position.
- <u>f11.</u> As used in this section, "appearance of impropriety" means a reasonable person would find, based on the given set of facts and circumstances, that a public officer's or employee's limited use of governmental property, equipment or other facility for personal purposes is inappropriate, disproportionate, excessive or unreasonable under that given set of facts and circumstances.
 - **Sec. 30.** NRS 281A.410 is hereby amended to read as follows:
- 281A.410 [In addition to the requirements of the code of ethical standards and the other provisions of this chapter:]
- 1. If a public officer or employee serves in a state agency of the Executive Department or an agency of any county, city or other political subdivision, the public officer or employee:
- (a) Shall not accept compensation from any private person to represent or counsel the private person on any issue pending before the agency in which that public officer or employee serves, if the agency makes decisions; and
- (b) If the public officer or employee leaves the service of the agency, shall not, for 1 year after leaving the service of the agency, represent or counsel for compensation a private person upon any issue which was under consideration by the agency during the public officer's or employee's service. As used in this paragraph, "issue" includes a case, proceeding, application, contract or determination, but does not include the proposal or consideration of legislative measures or administrative regulations.
- 2. Except as otherwise provided in subsection 3, [a State Legislator or] a member of a local legislative body, or a public officer or employee whose public service requires less than half of his or her time, may represent or counsel a private person before an agency in which he or she does not serve.
- 3. A member of a local legislative body shall not represent or counsel a private person for compensation before another local agency if the territorial jurisdiction of the other local agency includes any part of the county in which the member serves. The Commission may relieve the member from the strict application of the provisions of this subsection if:

- (a) The member files a request for an advisory opinion from the Commission pursuant to NRS 281A.675; and
 - (b) The Commission determines that such relief is not contrary to:
 - (1) The best interests of the public;
- (2) The continued ethical integrity of each local agency affected by the matter; and
 - (3) The provisions of this chapter.
- 4. For the purposes of subsection 3, the request for an advisory opinion, *the decision rendered*, the advisory opinion and all meetings, hearings and proceedings of the Commission in such a matter are governed by the provisions of NRS 281A.670 to 281A.690, inclusive.
- 5. Unless permitted by this section, a public officer or employee shall not represent or counsel a private person for compensation before any state agency of the Executive or Legislative Department.
 - **Sec. 31.** NRS 281A.420 is hereby amended to read as follows:
- 281A.420 1. Except as otherwise provided in this section, a public officer or employee shall not approve, disapprove, vote, abstain from voting or otherwise act upon a matter:
- (a) Regarding which the public officer or employee has accepted a gift or loan:
- (b) In which the public officer or employee has a significant pecuniary interest:
- (c) Which would reasonably be affected by the public officer's or employee's commitment in a private capacity to the interests of another person; or
- (d) Which would reasonably be related to the nature of any representation or counseling that the public officer or employee provided to a private person for compensation before another agency within the immediately preceding year, provided such representation or counseling is permitted by NRS 281A.410,
- without disclosing information concerning the gift or loan, the significant pecuniary interest, the commitment in a private capacity to the interests of the other person or the nature of the representation or counseling of the private person that is sufficient to inform the public of the potential effect of the action or abstention upon the person who provided the gift or loan, upon the public officer's or employee's significant pecuniary interest, upon the person to whom the public officer or employee has a commitment in a private capacity or upon the private person who was represented or counseled by the public officer or employee. Such a disclosure must be made at the time the matter is considered. If the public officer or employee is a member of a body which makes decisions, the public officer or employee shall make the disclosure in public to the chair and other members of the body. If the public officer or employee is not a member of such a body and holds an appointive office, the public officer or employee shall make the disclosure to the supervisory head of the public officer's or employee's organization or, if the public officer holds

an elective office, to the general public in the area from which the public officer is elected.

- 2. The provisions of subsection 1 do not require [a]:
- (a) A public officer to disclose:
- (a) (1) Any campaign contributions that the public officer reported in a timely manner pursuant to NRS 294A.120 or 294A.125; or
- (b) (2) Any contributions to a legal defense fund that the public officer reported in a timely manner pursuant to NRS 294A.286.
- (b) A public officer or employee to disclose any information which is confidential as a result of a bona fide relationship that protects the confidentiality of the information under the terms of a contract or as a matter of law, including, without limitation, the attorney-client relationship, if the public officer or employee:
- (1) In the disclosure made pursuant to subsection 1, discloses all nonconfidential information that is required to be disclosed and describes the general nature of the relationship that protects the confidential information from being disclosed; and
- (2) Abstains from advocating the passage or failure of and from approving, disapproving, voting or otherwise acting upon the matter, regardless of whether the public officer or employee would be required to abstain pursuant to subsection 3.
- 3. Except as otherwise provided in this section, in addition to the requirements of subsection 1, a public officer shall not vote upon or advocate the passage or failure of, but may otherwise participate in the consideration of, a matter with respect to which the independence of judgment of a reasonable person in the public officer's situation would be materially affected by:
 - (a) The public officer's acceptance of a gift or loan;
 - (b) The public officer's significant pecuniary interest; [or]
- (c) The public officer's commitment in a private capacity to the interests of another person $\{\cdot,\cdot\}$; or
- (d) The public officer's representation or counseling of a private person for compensation before another agency within the immediately preceding year, provided such representation or counseling is permitted by NRS 281A.410.
 - 4. In interpreting and applying the provisions of subsection 3:
- (a) It must be presumed that the independence of judgment of a reasonable person in the public officer's situation would not be materially affected by the public officer's acceptance of a gift or loan, significant pecuniary interest, [or] commitment in a private capacity to the interests of another person or representation or counseling of a private person for compensation as permitted by NRS 281A.410 where the resulting benefit or detriment accruing to the public officer, or if the public officer has a commitment in a private capacity to the interests of another person [1] or has represented or counseled a private person for compensation as permitted by NRS 281A.410, accruing to the other person, is not greater than that accruing to any other member of

any general business, profession, occupation or group that is affected by the matter. The presumption set forth in this paragraph does not affect the applicability of the requirements set forth in subsection 1 relating to the duty of the public officer to make a proper disclosure at the time the matter is considered and in the manner required by subsection 1.

- (b) The Commission must give appropriate weight and proper deference to the public policy of this State which favors the right of a public officer to perform the duties for which the public officer was elected or appointed and to vote or otherwise act upon a matter, provided the public officer makes a proper disclosure at the time the matter is considered and in the manner required by subsection 1. Because abstention by a public officer disrupts the normal course of representative government and deprives the public and the public officer's constituents of a voice in governmental affairs, the provisions of this section are intended to require abstention only in clear cases where the independence of judgment of a reasonable person in the public officer's situation would be materially affected by the public officer's acceptance of a gift or loan, significant pecuniary interest, [or] commitment in a private capacity to the interests of another person [.] or representation or counseling of a private person for compensation as permitted by NRS 281A.410.
- 5. Except as otherwise provided in NRS 241.0355, if a public officer declares to the body or committee in which the vote is to be taken that the public officer will abstain from voting because of the requirements of this section, the necessary quorum to act upon and the number of votes necessary to act upon the matter, as fixed by any statute, ordinance or rule, is reduced as though the member abstaining were not a member of the body or committee.
 - 6. The provisions of this section do not, under any circumstances:
- (a) Prohibit a member of a local legislative body from requesting or introducing a legislative measure; or
- (b) Require a member of a local legislative body to take any particular action before or while requesting or introducing a legislative measure.
- [7. The provisions of this section do not, under any circumstances, apply to State Legislators or allow the Commission to exercise jurisdiction or authority over State Legislators. The responsibility of a State Legislator to make disclosures concerning gifts, loans, interests or commitments a matter and the responsibility of a State Legislator to abstain from voting upon or advocating the passage or failure of a matter are governed by the Standing Rules of the Legislative Department of the State Government which are adopted, administered and enforced exclusively by the appropriate bodies of the Legislative Department of the State Government pursuant to Section 6 of Article 4 of the Nevada Constitution
- 8. As used in this section, "public officer" and "public employee" do not include a State Legislator.
 - Sec. 32. NRS 281A.500 is hereby amended to read as follows:
- 281A.500 1. On or before the date on which a public officer swears or affirms the oath of office, the public officer must be informed of the statutory

ethical standards and the duty to file an acknowledgment of the statutory ethical standards in accordance with this section by:

- (a) For an appointed public officer, the appointing authority of the public officer; and
 - (b) For an elected public officer of:
- (1) The county and other political subdivisions within the county except cities, the county clerk;
 - (2) The city, the city clerk; *and*
- (3) The Legislative Department of the State Government, the Director of the Legislative Counsel Bureau; and
- (4)] The Executive Department of the State Government, the Director of the Department of Administration, or his or her designee.
 - 2. Within 30 days after a public employee begins employment:
- (a) The Director of the Department of Administration, or his or her designee, shall provide each new public employee of a state agency with the information prepared by the Commission concerning the statutory ethical standards; and
- (b) The manager of each local agency, or his or her designee, shall provide each new public employee of the local agency with the information prepared by the Commission concerning the statutory ethical standards.
 - 3. Each public officer shall acknowledge that the public officer:
 - (a) Has received, read and understands the statutory ethical standards; and
- (b) Has a responsibility to inform himself or herself of any amendments to the statutory ethical standards as soon as reasonably practicable after each session of the Legislature.
- 4. The acknowledgment must be executed on a form prescribed by the Commission and must be filed with the Commission:
- (a) If the public officer is elected to office at the general election, on or before January 15 of the year following the public officer's election.
- (b) If the public officer is elected to office at an election other than the general election or is appointed to office, on or before the 30th day following the date on which the public officer swears or affirms the oath of office.
- 5. Except as otherwise provided in this subsection, a public officer shall execute and file the acknowledgment once for each term of office. If the public officer serves at the pleasure of the appointing authority and does not have a definite term of office, the public officer, in addition to executing and filing the acknowledgment after the public officer swears or affirms the oath of office in accordance with subsection 4, shall execute and file the acknowledgment on or before January 15 of each even-numbered year while the public officer holds that office.
- 6. For the purposes of this section, the acknowledgment is timely filed if, on or before the last day for filing, the acknowledgment is filed in one of the following ways:
- (a) Delivered in person to the principal office of the Commission in Carson City.

- (b) Mailed to the Commission by first-class mail, or other class of mail that is at least as expeditious, postage prepaid. Filing by mail is complete upon timely depositing the acknowledgment with the United States Postal Service.
- (c) Dispatched to a third-party commercial carrier for delivery to the Commission within 3 calendar days. Filing by third-party commercial carrier is complete upon timely depositing the acknowledgment with the third-party commercial carrier.
- (d) Transmitted to the Commission by facsimile machine or other electronic means authorized by the Commission. Filing by facsimile machine or other electronic means is complete upon receipt of the transmission by the Commission.
- 7. If a public officer is serving in a public office and executes and files the acknowledgment for that office as required by the applicable provisions of this section, the public officer shall be deemed to have satisfied the requirements of this section for any other office held concurrently by him or her.
 - 8. The form for making the acknowledgment must contain:
- (a) The address of the Internet website of the Commission where a public officer may view the statutory ethical standards and print a copy of the standards; and
- (b) The telephone number and mailing address of the Commission where a public officer may make a request to obtain a printed copy of the statutory ethical standards from the Commission.
- 9. Whenever the Commission, or any public officer or employee as part of the public officer's or employee's official duties, provides a public officer with a printed copy of the form for making the acknowledgment, a printed copy of the statutory ethical standards must be included with the form.
- 10. The Commission shall retain each acknowledgment filed pursuant to this section for 6 years after the date on which the acknowledgment was filed.
- 11. [Willful refusal] A public officer who refuses to execute and file the acknowledgment required by this section shall be deemed to [be:
- (a) A willfull have committed a violation of this chapter for the purposes of NRS 281A.785 and 281A.790 . $\frac{1}{1}$; and
- (b) Nonfeasance in office for the purposes of NRS 283.440 and, if the public officer is removable from office pursuant to NRS 283.440, the Commission may file a complaint in the appropriate court for removal of the public officer pursuant to that section. This paragraph grants an exclusive right to the Commission, and no other person may file a complaint against the public officer pursuant to NRS 283.440 based on any violation of this section.]
- 12. As used in this section, "general election" has the meaning ascribed to it in NRS 293.060.
 - Sec. 33. NRS 281A.550 is hereby amended to read as follows:
- 281A.550 1. A former member of the Public Utilities Commission of Nevada shall not:
- (a) Be employed by a public utility or parent organization or subsidiary of a public utility; or

- (b) Appear before the Public Utilities Commission of Nevada to testify on behalf of a public utility or parent organization or subsidiary of a public utility, → for 1 year after the termination of the member's service on the Public Utilities Commission of Nevada.
- 2. A former member of the Nevada Gaming Control Board or the Nevada Gaming Commission shall not:
- (a) Appear before the Nevada Gaming Control Board or the Nevada Gaming Commission on behalf of a person who holds a license issued pursuant to chapter 463 or 464 of NRS or who is required to register with the Nevada Gaming Commission pursuant to chapter 463 of NRS; or
 - (b) Be employed by such a person,
- → for 1 year after the termination of the member's service on the Nevada Gaming Control Board or the Nevada Gaming Commission.
- 3. In addition to the prohibitions set forth in subsections 1 and 2, and except as otherwise provided in subsections 4 and 6, a *current or* former public officer or *management-level public* employee of a board, commission, department, division or other agency of the Executive Department of *the* State Government [, except a clerical employee,] shall not solicit or accept employment from a business or industry whose activities are governed by regulations adopted *or administered* by the board, commission, department, division or other agency , *as applicable, during the public officer's or employee's period of public service or employment or* for 1 year after the termination of [the former public officer's or employee's] *his or her period of public* service or [period of] employment if:
- (a) The [former] public officer's or employee's principal duties *include or* included the formulation of policy contained in the regulations governing the business or industry;
- (b) [During] Within the immediately preceding year, [the former] during the public officer's or employee's period of public service or employment or within the year immediately preceding the termination of the public officer's or employee's period of public service or employment, the public officer or employee directly performed activities, or controlled or influenced an audit, decision, investigation or other action, which significantly affected the business or industry; [which might, but for this section, employ the former public officer or employee;] or
- (c) As a result of the [former] public officer's or employee's governmental service or employment, the [former] public officer or employee possesses knowledge of the trade secrets of a direct business competitor.
- 4. The provisions of subsection 3 do not apply to a *current or* former [public officer who was a] member of a board, commission or similar body of the State if:
- (a) The [former public officer] member is engaged in the profession, occupation or business regulated by the board, commission or similar body;
- (b) The [former public officer] member holds a license issued by the board, commission or similar body; and

- (c) Holding a license issued by the board, commission or similar body is a requirement for membership on the board, commission or similar body.
- 5. Except as otherwise provided in subsection 6, a *current or* former public officer or employee of the State or a political subdivision, except a clerical employee, shall not solicit or accept employment from a person to whom a contract for supplies, materials, equipment or services was awarded by the State or political subdivision, as applicable, *or was implemented, managed or administered by the State or political subdivision, as applicable, during the public officer's or employee's period of public service or employment or for 1 year after the termination of the officer's or employee's his or her period of public service or period of public service or the public officer's employment, if:*
 - (a) The amount of the contract exceeded \$25,000;
- (b) The contract was awarded or was implemented, managed or administered by the State or political subdivision, as applicable, within the immediately preceding year during the public officer's or employee's period of public service or employment or within the [12 month period] year immediately preceding the termination of the public officer's or employee's period of public service or [period of] employment; and
- (c) The position held by the [former] public officer or employee at the time the contract was awarded or while it was implemented, managed or administered by the State or political subdivision, as applicable, allowed the [former] public officer or employee to materially affect or influence the awarding of the contract [.] or its implementation, management or administration.
- 6. A current or former public officer or employee may file a request for an advisory opinion pursuant to NRS 281A.675 concerning the application of the relevant facts in that person's case to the provisions of subsection 3 or 5, as applicable, and the Commission may determine whether relief from the strict application of those provisions is proper. For the purposes of submitting all necessary information for the Commission to render a decision and issue an advisory opinion in the matter, a current or former public officer or employee may request information concerning potential employment from any business, industry or other person without violating the provisions of subsection 3 or 5, as applicable. If the Commission determines that relief from the strict application of the provisions of subsection 3 or 5, as applicable, is not contrary to:
 - (a) The best interests of the public;
- (b) The continued ethical integrity of the State Government or political subdivision, as applicable; and
 - (c) The provisions of this chapter,
- it may issue an advisory opinion to that effect and grant such relief.
- 7. For the purposes of subsection 6, the request for an advisory opinion, *the decision rendered,* the advisory opinion and all meetings, hearings and proceedings of the Commission in such a matter are governed by the provisions of NRS 281A.670 to 281A.690, inclusive.

- 8. The advisory opinion does not relieve the current or former public officer or employee from the strict application of any provision of NRS 281A.410.
- 9. [For] Except as otherwise provided in subsection 6, for the purposes of this section:
- (a) A former member of the Public Utilities Commission of Nevada, the Nevada Gaming Control Board or the Nevada Gaming Commission; or
- (b) Any other *current or* former public officer or employee governed by this section,
- ⇒ is employed by or is soliciting or accepting employment from a business, industry or other person described in this section if any oral or written agreement is sought, negotiated or exists during the restricted period pursuant to which the personal services of the public officer or employee are provided or will be provided to the business, industry or other person, even if such an agreement does not or will not become effective until after the restricted period.
- 10. As used in this section, "regulation" has the meaning ascribed to it in NRS 233B.038 and also includes regulations adopted *or administered* by a board, commission, department, division or other agency of the Executive Department of *the* State Government that is exempted from the requirements of chapter 233B of NRS.
 - **Sec. 34.** NRS 281A.665 is hereby amended to read as follows:
- 281A.665 1. The Legislative Counsel shall prepare annotations to this chapter for inclusion in the Nevada Revised Statutes based on the published opinions of the Commission.
- 2. The [Commission's] opinions of the Commission may include guidance to a public officer or employee on questions whether:
- [1.] (a) A conflict exists between the public officer's or employee's personal interest and the public officer's or employee's official [duty.] duties.
- [2.] (b) The public officer's or employee's official duties involve the use of discretionary judgment whose exercise in the particular matter would have a significant effect upon the disposition of the matter.
- [3.] (c) The conflict would materially affect the independence of the judgment of a reasonable person in the public officer's or employee's situation.
- [4.] (d) The public officer or employee possesses special knowledge which is an indispensable asset of [the public officer's or employee's public] his or her public body, agency or employer and is needed by it to reach a sound decision.
- [5.] (e) It would be appropriate for the public officer or employee to withdraw or abstain from participation, disclose the nature of the public officer's or employee's conflicting personal interest or pursue some other designated course of action in the matter.

- **Sec. 35.** NRS 281A.675 is hereby amended to read as follows:
- 281A.675 1. [A] Except as otherwise provided in this section and NRS 281A.280, a public officer or employee may file with the Commission a request for an advisory opinion to:
- (a) Seek guidance on matters which directly relate to the propriety of his or her own past, present or future conduct as a public officer or employee under the statutory ethical standards; [set forth in this chapter;] or
 - (b) Request relief pursuant to NRS 281A.410, 281A.430 or 281A.550.
 - 2. The request for an advisory opinion must be:
 - (a) Filed on a form prescribed by the Commission; and
- (b) Submitted with all necessary information for the Commission to render *a decision and issue* an advisory opinion in the matter.
- 3. At any time after a request for an advisory opinion is filed with the Commission, the Commission may request additional information relating to the request for an advisory opinion from the requester and his or her legal counsel.
- **4.** The Commission may decline to render **a decision and issue** an advisory opinion if the **[public officer or employee] requester** does not:
- (a) Submit all necessary information for the Commission to render *a decision and issue* an advisory opinion in the matter; or
- (b) Declare by oath or affirmation that he or she will testify truthfully regarding the matter [.] or confirm in writing, signed under oath, that any facts provided to the Commission for consideration of the request for an advisory opinion is truthful.
 - Sec. 36. NRS 281A.680 is hereby amended to read as follows:
- 281A.680 1. [If a public officer or employee] Except as otherwise provided in this section, if a requester properly files a request for an advisory opinion, the Commission shall render a decision and issue an advisory opinion that interprets the statutory ethical standards and applies those standards to the given set of facts and circumstances.
- 2. The Commission shall render a decision concerning the request for an advisory opinion within 45 days after receiving a written confirmation, signed under oath, from the requester of the truth of the proposed findings of fact to be submitted to the Commission for consideration of the request, unless [the]:
 - (a) The requester waives this time limit |...
- $\frac{-2.1}{2.1}$
- (b) The Commission determines that there is good cause to extend this time limit and sets a specific and reasonable time period for such an extension;
- (c) The Commission stays or dismisses the proceedings concerning the request for an advisory opinion because:
- (1) An ethics complaint is filed or pending that involves some or all of the same issues or facts and circumstances that are involved in the request for an advisory opinion; and

- (2) The Commission determines that staying or dismissing the proceedings concerning the request for an advisory opinion is necessary for the just adjudication and disposition of the proceedings concerning the ethics complaint; or
- (d) The requester has not complied with any applicable procedural requirements related to the request for an advisory opinion as set forth in this chapter or regulations adopted thereto.
- 3. If the Commission renders a decision concerning the request for an advisory opinion pursuant to this section, the Commission shall issue a written advisory opinion for any decision which the Commission determines:
- (a) To be binding upon the requester with regard to the future conduct of the requester; or
- (b) Constitute administrative precedent with persuasive value that the Commission may consider and follow in the adjudication and disposition of any request for an advisory opinion or ethics complaint.
- 4. If the Commission issues a written advisory opinion [rendered by the Commission] to a requester who filed the request for an advisory opinion pursuant to paragraph (a) of subsection 1 of NRS 281A.675 and the advisory opinion relates to the propriety of the present or future conduct of the requester, the advisory opinion is [:
- (a) Binding upon the requester with regard to the future conduct of the requester; and
- (b) A} a final decision that is subject to judicial review pursuant to NRS 233B.130.
- [3.] If the requester seeks judicial review pursuant to NRS 233B.130, any proceedings concerning such judicial review must be confidential and held in closed court without admittance of persons other than those necessary to the proceedings, unless the requester waives this right to confidential proceedings.
 - 5. If the Commission issues a written advisory opinion:
- (a) To a requester who filed the request for an advisory opinion pursuant to paragraph (b) of subsection 1 of NRS 281A.675; and
- (b) Which relates to the past conduct of a public officer or employee, → the advisory opinion is not a final decision that is subject to judicial review pursuant to NRS 233B.130.
- 6. Upon the request of a public officer or employee, the Executive Director or Commission Counsel may advise a public officer or employee regarding the application of the statutory ethical standards to a given set of facts and circumstances. Such advice may not be contrary to a published opinion of the Commission or otherwise expand a precedential interpretation of the Commission in a published opinion. The Executive Director shall keep a written record of any advice offered to a public officer or employee pursuant to this subsection. Any act or failure to act by a current or former public officer or employee relating to this chapter is not a violation of this chapter pursuant to subsection 6 of NRS 281A.790 if the public officer or employee establishes by sufficient evidence that he or she relied upon the

advice of the Executive Director or Commission Counsel pursuant to this subsection before the public officer or employee acted or failed to act. Any advice rendered by the Executive Director or Commission Counsel pursuant to this subsection is not binding on the public officer or employee and is not subject to judicial review pursuant to NRS 233B.130. Any dispute regarding the advice rendered by the Executive Director or Commission Counsel may be resolved through the filing of a request for an advisory opinion with the Commission pursuant to subsection 1.

- 7. Any decision rendered or advisory opinion issued by the Commission in response to a request for an advisory opinion or advice provided by the Executive Director or Commission Counsel pursuant to subsection 6 does not divest the Commission of its jurisdiction to initiate or accept jurisdiction of an ethics complaint and direct the Executive Director to conduct an investigation of the ethics complaint if the ethics complaint alleges facts that are supported by sufficient evidence which are different from the facts relied upon by the Commission, Executive Director or Commission Counsel, as applicable, in rendering advice pursuant to this section.
 - Sec. 37. NRS 281A.685 is hereby amended to read as follows:
- 281A.685 1. Except as otherwise provided in this section, the following materials are confidential and are not public records pursuant to chapter 239 of NRS:
- (a) A request for an advisory opinion [;] or a request for the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680;
- (b) The decision rendered and the advisory opinion [rendered] issued by the Commission in response to the request [;] for an advisory opinion or the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680;
- (c) Any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request [;] for an advisory opinion or the advice of the Executive Director or Commission Counsel pursuant to subsection 6 of NRS 281A.680; and
- (d) Any information, communications, records, documents or other materials in the possession of the requester of the request for an advisory opinion or the request for the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680 that are related to the request and, if disclosed by the requester, would reveal the existence, nature or content of the request, the decision rendered or the advisory opinion [-] issued by the Commission or the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680;
- 2. The provisions of subsection 1 do not create or impose any duty on the Commission or its staff to protect or defend against the disclosure of any materials not in the possession of the Commission or its staff, regardless of whether the materials are related to $\frac{1}{2}$ request.

- 3. The provisions of subsection 1 do not apply to any materials in the possession of the Commission or its staff that are related to the request if the requester of [the] a request for an advisory opinion [:] or the request for the advice of the Executive Director or Commission Counsel pursuant to subsection 6 of NRS 281A.680:
- (a) Acts in contravention of the decision rendered or the advisory opinion [13] issued by the Commission or the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680, in which case the Commission may disclose the request, the decision rendered, the advisory opinion or the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680 and any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request;
- (b) Authorizes the Commission, in writing, to make the request, the decision rendered, the advisory opinion, the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680 or any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request publicly available [3], except that any disclosure of materials pursuant to this paragraph is limited to the specific materials that the requester authorizes the Commission, in writing, to make publicly available; or
- (c) Voluntarily discloses, in any manner, the request, the decision rendered, the advisory opinion, the advice of the Executive Director or Commission Counsel provided pursuant to subsection 6 of NRS 281A.680 or any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request, except to:
- (1) The supervisory head or the legal counsel of his or her public body, agency or employer [of the requester or the] or to any other public officer or employee of that public body, agency or employer to whom the supervisory head or the legal counsel authorizes such a disclosure in writing;
 - (2) The legal counsel of the requester |;
- (2)] to facilitate legal representation when the requester is not represented by the legal counsel of his or her public body, agency or employer;
- (3) Any *other* person to whom the Commission authorizes the requester to make such a disclosure; or
- [(3)] (4) Any *other* person to whom the requester makes such a disclosure for the purposes of judicial review pursuant to *subsection 4 of* NRS 281A.680.
 - Sec. 38. NRS 281A.690 is hereby amended to read as follows:
- 281A.690 1. [Except as otherwise provided in this section, the] *The* provisions of chapter 241 of NRS do not apply to:
- (a) Any meeting or hearing held by the Commission to receive information or evidence concerning a request for an advisory opinion; and

- (b) Any deliberations or actions of the Commission on such information or evidence.
- 2. The [public officer or employee] requester who files the request for an advisory opinion may also file a request with the Commission to hold a public meeting or hearing regarding the request for an advisory opinion. If the Commission grants the request to hold a public meeting or hearing, the Commission shall provide public notice of the meeting or hearing, and the meeting or hearing must be open to the public and conducted in accordance with the regulations of the Commission, but the meeting or hearing is not subject to the provisions of chapter 241 of NRS.
 - Sec. 39. NRS 281A.700 is hereby amended to read as follows:
- 281A.700 The provisions of NRS 281A.700 to 281A.790, inclusive, *and section 12 of this act* apply to proceedings concerning an ethics complaint.
 - Sec. 40. NRS 281A.710 is hereby amended to read as follows:
- 281A.710 1. Except as otherwise provided in this section and NRS 281A.280, the Commission may render *a decision and issue* an opinion that interprets the statutory ethical standards and applies those standards to a given set of facts and circumstances regarding the propriety of the conduct of a public officer or employee if an ethics complaint is:
- (a) Filed by a specialized or local ethics committee established pursuant to NRS 281A 350.
- (b) Filed by any person, except a person who is incarcerated in a correctional facility in this State or any other jurisdiction.
- (c) Initiated by the Commission on its own motion, except the Commission shall not initiate such an ethics complaint based solely upon an anonymous complaint.
- 2. An ethics complaint filed by a *specialized or local ethics committee or* person *pursuant to paragraph (a) or (b) of subsection 1* must be:
- (a) Verified under oath and filed on a form prescribed by the Commission; and
- (b) Submitted with sufficient evidence to support the allegations in order for the Commission to make a determination of whether it has jurisdiction in the matter and whether an investigation is warranted in the matter pursuant to NRS 281A.715 and 281A.720.
- 3. The Commission may decline to render *a decision or issue* an opinion if the *specialized or local ethics committee or* person [who files] *filing* the ethics complaint *pursuant to paragraph (a) or (b) of subsection 1* does not submit all necessary evidence in the matter.
 - Sec. 41. NRS 281A.715 is hereby amended to read as follows:
- 281A.715 1. Based on the evidence submitted with an ethics complaint filed with the Commission by a specialized or local ethics committee or person pursuant to paragraph (a) or (b) of subsection 1 of NRS 281A.710 [-] and any additional evidence obtained by the Executive Director pursuant to subsection 2, the Commission shall determine whether it has jurisdiction in the matter and whether an investigation is warranted in the matter. The

Commission shall make its determination within 45 days after receiving the ethics complaint, unless the **[public officer or employee who is the subject of the ethics complaint waives this time limit.]** Commission determines that there is good cause to extend this time limit and sets a specific and reasonable time period for such an extension.

- 2. To assist the Commission in making its determination pursuant to subsection 1 whether it has jurisdiction in the matter and whether an investigation is warranted in the matter, the Executive Director may conduct a preliminary investigation to obtain additional evidence concerning the allegations in the ethics complaint.
- 3. If the Commission determines *pursuant to subsection 1* that it does not have jurisdiction in the matter, the Commission shall dismiss the matter.
- [3.] 4. If the Commission determines *pursuant to subsection 1* that it has jurisdiction in the matter but the evidence [submitted with the ethics complaint] is not sufficient to warrant an investigation in the matter, the Commission shall dismiss the matter, with or without issuing a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.
- [4.] 5. If the Commission determines *pursuant to subsection 1* that it has jurisdiction in the matter and the evidence [submitted with the ethics complaint] is sufficient to warrant an investigation in the matter, the Commission may direct the Executive Director to investigate the ethics complaint pursuant to NRS 281A.720.
- 6. If the Commission initiates an ethics complaint on its own motion pursuant to paragraph (c) of subsection 1 of NRS 281A.710 and the Commission determines that the evidence:
- (a) Is not sufficient to warrant an investigation in the matter, the Commission may dismiss the matter, with or without prejudice. If the Commission dismisses the matter, it shall issue a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.
- (b) Is sufficient to warrant an investigation in the matter, the Commission may direct the Executive Director to investigate the ethics complaint pursuant to NRS 281A.720.
 - Sec. 42. NRS 281A.720 is hereby amended to read as follows:
- 281A.720 1. If the Commission directs the Executive Director to investigate an ethics complaint pursuant to NRS 281A.715, for if the Commission initiates an ethics complaint on its own motion pursuant to NRS 281A.710, the Executive Director shall investigate the facts and circumstances relating to the ethics complaint to determine whether the Executive Director believes that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter in order to present a written recommendation to the review panel pursuant to NRS 281A.725.
- 2. The Executive Director shall [provide] prepare and serve a written notice of the investigation of the ethics complaint pursuant to this section [to] on the public officer or employee who is the subject of the ethics complaint

and provide the public officer or employee an opportunity to submit to the Executive Director a response to the [allegations against the public officer or employee in the ethics complaint.] written notice of the investigation. The response must be submitted within 30 days after the date on which the public officer or employee [receives] is served with the written notice of the investigation pursuant to this section, unless the public officer or employee waives the time limit set forth in subsection 1 of NRS 281A.725 and the Executive Director grants one or more extensions for good cause shown and sets a specific and reasonable time period for such an extension.

- 3. The purpose of the response submitted pursuant to this section is to provide the Executive Director and the review panel with any information relevant to the ethics complaint which the public officer or employee believes may assist:
- (a) The Executive Director in performing his or her investigation and other functions pursuant to this section and NRS 281A.725; and
- (b) The review panel in performing its review and other functions pursuant to NRS 281A.730.
- 4. The public officer or employee is not required in the response submitted pursuant to this section or in any proceedings before the review panel to assert, claim or raise any objection or defense, in law or fact, to the allegations against the public officer or employee, and no objection or defense, in law or fact, is waived, abandoned or barred by the failure to assert, claim or raise it in the response or in any proceedings before the review panel.
- 5. Whether or not the public officer or employee submits a response pursuant to this section, the Executive Director may take action, in the manner authorized by NRS 281A.300, to secure the public officer's or employee's participation, attendance as a witness and production of any books and papers during the course of the investigation.
 - **Sec. 43.** NRS 281A.725 is hereby amended to read as follows:
- 281A.725 1. [Except as otherwise provided in this subsection, the] *The* Executive Director shall complete the investigation required by NRS 281A.720 and present a written recommendation to the review panel within 70 days after the Commission directs the Executive Director to investigate the ethics complaint [or after the Commission initiates the ethics complaint on its own motion, as applicable.], except that:
- (a) The public officer or employee who is the subject of the ethics complaint may waive this time limit $\{\cdot,\cdot\}$; or
- (b) Upon the request of the Executive Director, the presiding officer of the review panel may grant one or more extensions of this time limit for good cause shown. If the presiding officer grants such an extension, the presiding officer must set a specific and reasonable time period for such an extension.
- 2. The written recommendation that the Executive Director presents to the review panel must:
 - (a) Set forth the factual and legal basis for the recommendation;

- (b) State whether the Executive Director believes that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter; and
- (c) If the Executive Director believes that a disposition of the matter without an adjudicatory hearing is appropriate under the facts and circumstances, state any suggested disposition that is consistent with the provisions of this chapter, including, without limitation, whether the Executive Director believes that the conduct at issue may be appropriately addressed through additional training or other corrective action under the terms and conditions of a deferral agreement.

Sec. 44. NRS 281A.730 is hereby amended to read as follows:

- 281A.730 1. Except as otherwise provided in this section, the review panel shall determine whether there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter within [15] 45 days after the Executive Director [provides] presents to the review panel [with] the recommendation required by NRS 281A.725. The public officer or employee who is the subject of the ethics complaint may waive this time limit. The review panel shall serve on the public officer or employee who is the subject of the ethics complaint a written notice of its determination.
 - 2. The review panel shall cause a record of its proceedings to be kept.
- 3. The review panel shall not determine that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter unless the Executive Director has provided the public officer or employee an opportunity to respond [to the allegations] as required by NRS 281A.720.
- 4. If the review panel determines that there is not just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter, it shall dismiss the matter, with or without prejudice, and with or without issuing a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.
- 5. If the review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter but reasonably believes that the conduct at issue may be appropriately addressed through additional training or other corrective action under the terms and conditions of a deferral agreement, the review panel may:
- (a) Approve a deferral agreement proposed by the Executive Director and the public officer or employee instead of referring the ethics complaint to the Commission for further proceedings in the matter; or
- (b) Authorize the Executive Director and the public officer or employee to develop such a deferral agreement and may thereafter approve such a deferral agreement instead of referring the ethics complaint to the Commission for further proceedings in the matter.
- 6. If the review panel does not approve a deferral agreement pursuant to subsection 5 or if the public officer or employee declines to enter into such a

deferral agreement, the review panel shall refer the ethics complaint to the Commission for further proceedings in the matter.

- 7. If the review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter and reasonably believes that the conduct at issue may not be appropriately addressed through additional training or other corrective action under the terms and conditions of a deferral agreement, the review panel shall refer the ethics complaint to the Commission for further proceedings in the matter.
 - Sec. 45. NRS 281A.745 is hereby amended to read as follows:
- 281A.745 1. If the review panel refers an ethics complaint to the Commission for further proceedings in the matter pursuant to NRS 281A.730 or if the Commission vacates a deferral agreement and conducts further proceedings in the matter pursuant to NRS 281A.740 [-, the]:
- (a) The Executive Director shall issue a formal notice of charges to the public officer or employee who is the subject of the ethics complaint regarding the allegations to be presented at an adjudicatory hearing; and
- (b) The Commission shall hold an adjudicatory hearing and render [an opinion in the matter] a decision concerning the ethics complaint within 60 days after the date on which the review panel refers the ethics complaint to the Commission or the Commission vacates the deferral agreement, as appropriate, unless the public officer or employee who is the subject of the ethics complaint waives this time limit [-] or the Commission determines that there is good cause to extend this time limit and sets a specific and reasonable time period for such an extension.
- 2. [If] *Before* the Commission holds an adjudicatory hearing [to receive evidence] concerning an ethics complaint, the Commission shall:
- (a) [Notify] **Provide** the public officer or employee who is the subject of the ethics complaint **with a written notice** of the date, time and place of the hearing; **and**
- (b) Provide the parties with a written schedule for discovery relating to the hearing.
 - 3. At the adjudicatory hearing:
- (a) The Executive Director or his or her designee shall present the case to the Commission: and
 - (b) The Commission shall:
- (1) Allow the public officer or employee to be represented by legal counsel; and
- [(e)] (2) Allow the public officer or employee to hear the [evidence] case presented to the Commission by the Executive Director or his or her designee and to [respond and] present [evidence on] his or her own [behalf.] case to the Commission.
- [3.] 4. Unless the public officer or employee agrees to a shorter time, an adjudicatory hearing may not be held less than 10 days after the date on which the *written* notice of the hearing is [given] *provided* to the public officer or employee.

- [4.] 5. For good cause shown, the Commission may take testimony from a person by telephone or video conference at an adjudicatory hearing or at any other proceedings concerning the ethics complaint.
- 6. After the Commission renders a decision concerning the ethics complaint, the Commission shall issue a written opinion on or before the date of the next meeting of the Commission that is held after the date on which the decision is rendered, unless the Chair determines that there is good cause to extend this time limit and sets a specific and reasonable time period for such an extension.
- 7. The written opinion issued by the Commission must include findings of fact and conclusions of law and otherwise comply with the requirements for a final decision set forth in NRS 233B.125.
 - **Sec. 46.** NRS 281A.750 is hereby amended to read as follows:
- 281A.750 1. Except as otherwise provided in this section and NRS 281A.755, all information, communications, records, documents or other materials in the possession of the Commission, the review panel or their staff that are related to an ethics complaint are confidential and are not public records pursuant to chapter 239 of NRS until:
- (a) The review panel determines whether there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter and serves *the* written notice of its determination on the public officer or employee who is the subject of the ethics complaint [:] pursuant to NRS 281A.730; or
- (b) The public officer or employee who is the subject of the ethics complaint authorizes the Commission, in writing, to make the information, communications, records, documents or other materials that are related to the ethics complaint publicly available,
- whichever occurs first.
- 2. Except as otherwise provided in subsection [3,] 5, if a person who files an ethics complaint asks that his or her identity as the requester be kept confidential, the Commission:
- (a) Shall keep the identity of the requester confidential if he or she is a public officer or employee who works for the same public body, agency or employer as the public officer or employee who is the subject of the ethics complaint [.], worked for the same public body, agency or employer during the time of the alleged conduct at issue or if revealing the identity of the requester would reveal the identity of witnesses who work for the same public body, agency or employer.
- (b) May keep the identity of the requester confidential if he or she offers sufficient facts and circumstances showing a reasonable likelihood that disclosure of his or her identity will subject the requester or a member of his or her household to a bona fide threat of physical force or violence.
- 3. If the Commission keeps the identity of the requester of an ethics complaint confidential pursuant to this section, the following materials are confidential and are not public records pursuant to chapter 239 of NRS:

- (a) All information, communications, records, documents or other materials in the possession of the Commission that, if disclosed by the Commission, would reveal that the requester filed the ethics complaint. Notwithstanding the provisions of chapter 239 of NRS, in denying a request for public records based on the confidentiality provided by this paragraph, the Commission is not required to provide any information that, if disclosed by the Commission in denying the request for public records, would reveal that the requester filed the ethics complaint.
- (b) All information, communications, records, documents or other materials in the possession of the requester of the ethics complaint or his or her public body, agency or employer that, if disclosed by either of them, would reveal that the requester filed the ethics complaint. Notwithstanding the provisions of chapter 239 of NRS, in denying a request for public records based on the confidentiality provided by this paragraph, the requester of the ethics complaint or his or her public body, agency or employer is not required to provide any information that, if disclosed by either of them in denying the request for public records, would reveal that the requester filed the ethics complaint.
- 4. If the Commission keeps the identity of the requester of an ethics complaint confidential [] pursuant to this section and the Executive Director does not intend to present the testimony of the requester as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter, the Commission shall not render a decision and issue an opinion in the matter unless there is sufficient evidence without the testimony of the requester to consider the propriety of the conduct of the public officer or employee who is the subject of the ethics complaint. The provisions of this subsection do not abrogate or otherwise alter or affect the confidentiality of the identity of the requester of the ethics complaint.
- 5. If the Commission keeps the identity of the requester of an ethics complaint confidential pursuant to this section and the Executive Director intends to present the testimony of the requester as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter and the public officer or employee who is the subject of the ethics complaint submits a written discovery request to the Commission pursuant to NRS 281A.755, the [Commission] Executive Director shall disclose the name of the requester only as a proposed witness [within a reasonable time before the adjudicatory hearing on the matter.] in accordance with the schedule for discovery provided to the parties pursuant to NRS 281A.745.
 - Sec. 47. NRS 281A.755 is hereby amended to read as follows:
- 281A.755 1. Except as otherwise provided in this section, the investigative file related to an ethics complaint is confidential and is not a public record pursuant to chapter 239 of NRS.

- 2. [At any time after being served with written notice of the determination of the review panel regarding the existence of just and sufficient cause for the Commission to render an opinion in the matter,] In accordance with the schedule for discovery provided to the parties pursuant to NRS 281A.745, the public officer or employee who is the subject of the ethics complaint may submit a written discovery request to the Commission for a list of proposed witnesses and a copy of any portion of the investigative file that the Executive Director intends to present as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter.
- 3. [Any] Unless otherwise declared confidential by law, any portion of the investigative file which the Executive Director presents as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter becomes a public record and must be open for inspection pursuant to chapter 239 of NRS [-] after the Commission takes final action concerning the ethics complaint in a public meeting or hearing pursuant to subsection 2 of NRS 281A.760.
 - 4. For the purposes of this section:
 - (a) The investigative file includes, without limitation:
- (1) Any response concerning the ethics complaint prepared by the public officer or employee pursuant to NRS 281A.720 and submitted to the Executive Director and the review panel during the course of the investigation and any proceedings before the review panel;
- (2) Any recommendation concerning the ethics complaint prepared by the Executive Director pursuant to NRS 281A.725 and [submitted] presented to the review panel during the course of the investigation and any proceedings before the review panel; and
- (3) Any other information provided to or obtained by or on behalf of the Executive Director through any form of communication during the course of the investigation , *including*, *without limitation*, *information*, *records and documentation obtained pursuant to subsection 3 of NRS 281A.300*, and any proceedings before the review panel and any records, documents or other materials created or maintained during the course of the investigation and any proceedings before the review panel which relate to the public officer or employee who is the subject of the ethics complaint, including, without limitation, a transcript, regardless of whether such information, records, documents or other materials are obtained pursuant to a subpoena.
 - (b) The investigative file does not include any deferral agreement.
 - **Sec. 48.** NRS 281A.760 is hereby amended to read as follows:
 - 281A.760 *1*. The provisions of chapter 241 of NRS do not apply to:
- [1.] (a) Any meeting or hearing held by the Commission to receive information or evidence concerning an ethics complaint; and
- [2.] (b) Any deliberations or actions of the Commission on such information or evidence.

- 2. The Commission shall take final action concerning an ethics complaint in a public meeting or hearing. The Commission shall provide public notice of the meeting or hearing, and the meeting or hearing must be open to the public and conducted in accordance with the regulations of the Commission, but the meeting or hearing is not subject to the provisions of chapter 241 of NRS.
 - **Sec. 49.** NRS 281A.765 is hereby amended to read as follows:
- 281A.765 [1. If the Commission renders an opinion in proceedings concerning an ethics complaint, the opinion must include findings of fact and conclusions of law.
- $\frac{2. \text{ If, in}}{\text{In}}$ In proceedings concerning an ethics complaint, if the Commission determines that a violation of this chapter:
- [(a)] 1. Has not been proven, the Commission shall dismiss the matter, with or without prejudice, and with or without issuing a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.
- [(b)] 2. Has been proven, the Commission may take any action authorized by this chapter.
 - Sec. 50. NRS 281A.770 is hereby amended to read as follows:
- 281A.770 In any matter in which the Commission disposes of an ethics complaint by stipulation, agreed settlement or consent order or in which the review panel approves a deferral agreement, the Commission or the review panel, as appropriate, shall:
- 1. To the extent practicable based on the given set of facts and circumstances, treat comparable situations in a comparable manner; and [shall ensure]
- 2. *Ensure* that the disposition of the matter bears a reasonable relationship to the severity of the violation or alleged violation.
 - Sec. 51. NRS 281A.775 is hereby amended to read as follows:
- 281A.775 1. The Commission, in determining whether a violation of this chapter is a willful violation and, if so, the penalty to be imposed on a **[public officer or employee]** *current* or former public officer or employee pursuant to NRS 281A.785 or 281A.790, or the review panel, in determining whether to approve a deferral agreement regarding an alleged violation, shall consider, without limitation:
- (a) The seriousness of the violation or alleged violation, including, without limitation, the nature, circumstances, extent and gravity of the violation or alleged violation;
- (b) The number and history of previous warnings, letters of caution or instruction, deferral agreements or violations or alleged violations of the provisions of this chapter relating to the public officer or employee;
- (c) The cost to conduct the investigation and any meetings, hearings or other proceedings relating to the violation or alleged violation;
- (d) Any mitigating factors, including, without limitation, any self-reporting, prompt correction of the violation or alleged violation, any attempts to rectify the violation or alleged violation before any ethics complaint is filed and any

cooperation by the public officer or employee in resolving the ethics complaint;

- (e) Any restitution or reimbursement paid to parties affected by the violation or alleged violation;
- (f) The extent of any financial gain resulting from the violation or alleged violation; and
 - (g) Any other matter justice may require.
- 2. The factors set forth in this section are not exclusive or exhaustive, and the Commission or the review panel, as appropriate, may consider other factors in the disposition of the matter if they bear a reasonable relationship to the determination of the severity of the violation or alleged violation.
- 3. In applying the factors set forth in this section, the Commission or the review panel, as appropriate, shall:
- (a) To the extent practicable based on the given set of facts and circumstances, treat comparable situations in a comparable manner; and [shall ensure]
- **(b)** Ensure that the disposition of the matter bears a reasonable relationship to the severity of the violation or alleged violation.
 - Sec. 52. NRS 281A.780 is hereby amended to read as follows:
- 281A.780 1. In proceedings concerning an ethics complaint, the Commission or the review panel, as appropriate, may issue a letter of caution or instruction to the public officer or employee who is the subject of the ethics complaint to caution or instruct the public officer or employee regarding the propriety of his or her conduct under the statutory ethical standards. [set forth in this chapter.]
- 2. If the Commission or the review panel issues a letter of caution or instruction to the public officer or employee, the letter:
 - (a) Is confidential and is not a public record pursuant to chapter 239 of NRS.
- (b) May be considered in deciding the appropriate action to be taken on any subsequent ethics complaint involving the public officer or employee, unless the letter is not relevant to the issues presented by the subsequent ethics complaint.
 - Sec. 53. NRS 281A.785 is hereby amended to read as follows:
- 281A.785 1. [Except as otherwise provided in this section, in] *In* proceedings concerning an ethics complaint, the Commission, based on a finding that a violation of this chapter has been proven, or the review panel, as part of the terms and conditions of a deferral agreement, may, in addition to any other [penalty] *penalties* provided by law and in accordance with the provisions of NRS 281A.775:
- (a) Require the public officer or employee who is the subject of the ethics complaint to:
- (1) Comply in all respects with the provisions of this chapter for a specified period without being the subject of another ethics complaint arising from an alleged violation of this chapter by the public officer or employee which occurs during the specified period and for which the review panel

determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter.

- (2) Attend and complete training.
- (3) Follow a remedial course of action.
- (4) Issue a public apology.
- (5) Comply with conditions or limitations on future conduct.
- (b) Publicly admonish, reprimand or censure the public officer or employee.
- (c) Take any combination of such actions or any other reasonable action that the Commission or the review panel, as appropriate, determines will remedy the violation or alleged violation or deter similar violations or conduct.
- 2. In carrying out the provisions of subsection 1, the Commission, based on a finding that a violation of this chapter has been proven, or the review panel, as part of the terms and conditions of a deferral agreement, may publicly:
- (a) Admonish a public officer or employee if it is determined that the public officer or employee has violated any provision of this chapter, but the violation is not willful, or if such an admonishment is imposed as part of the terms and conditions of a deferral agreement. An admonishment is a written expression of disapproval of the conduct of the public officer or employee.
- (b) Reprimand a public officer or employee if it is determined that the public officer or employee has willfully violated any provision of this chapter, but there is no evidence that the willful violation involved bad faith, malicious intent or knowing or reckless disregard of the law, or if such a reprimand is imposed as part of the terms and conditions of a deferral agreement. A reprimand is a severe written reproof for the conduct of the public officer or employee.
- (c) Censure a public officer or employee if it is determined that the public officer or employee has willfully violated any provision of this chapter and there is evidence that the willful violation involved bad faith, malicious intent or knowing or reckless disregard of the law or there are no substantial mitigating factors pursuant to NRS 281A.775 for the willful violation, or if such a censure is imposed as part of the terms and conditions of a deferral agreement. A censure is a formal written condemnation of the conduct of the public officer or employee.
- 3. Any action taken by the Commission pursuant to this section is a final decision for the purposes of judicial review pursuant to NRS 233B.130. Any action taken by the review panel pursuant to this chapter, including, without limitation, any action relating to a deferral agreement, is not a final decision for the purposes of judicial review pursuant to NRS 233B.130.
 - Sec. 54. NRS 281A.790 is hereby amended to read as follows:
- 281A.790 1. In addition to any other penalties provided by law and in accordance with the provisions of NRS 281A.775, the Commission may impose on a [public officer or employee] current or former public officer or employee civil penalties:

- (a) Not to exceed \$5,000 for a first willful violation of this chapter;
- (b) Not to exceed \$10,000 for a separate act or event that constitutes a second willful violation of this chapter; and
- (c) Not to exceed \$25,000 for a separate act or event that constitutes a third willful violation *or any additional violation* of this chapter.
- 2. [In] For the purposes of this section, in determining whether a current or former public officer or employee has committed one or more violations of this chapter, each separate act or event that constitutes a violation of this chapter, or course of conduct that the Commission interprets as constituting a separate violation of this chapter, must be treated as a separate violation that is cumulative to all other violations by that person, whenever committed, without regard to the sequence of the violations or whether the violations are established in the same proceedings concerning the same ethics complaint or in separate proceedings concerning separate ethics complaints.
- 3. Except as otherwise provided in NRS 281A.280, in addition to any other penalties provided by law, if a current or former public officer or employee or any other person prevents, interferes with or attempts to prevent or interfere with any investigation or proceedings pursuant to this chapter or the discovery of a violation of this chapter, such an act shall be deemed to be a violation of this chapter, and the Commission may, [upon its own motion or upon the motion of the current or former public officer or employee who is the subject of the investigation or proceedings:] after providing the person committing such an act with a written notice of the charges and an opportunity for a hearing in accordance with the regulations of the Commission:
- (a) Impose on the person committing such an act a civil penalty not to exceed \$5,000 [;], unless a greater civil penalty is authorized by subsection 1; and
- (b) If appropriate under the facts and circumstances, assess against the person committing such an act an amount equal to the amount of attorney's fees and costs actually and reasonably incurred as a result of the act by the Commission or any current or former public officer or employee [as a result of] who is a subject of the investigation or proceedings and who is harmed or prejudiced by the act.
- [3.] 4. If the Commission finds that a violation of [a provision of] this chapter by a [public officer or employee] current or former public officer or employee has resulted in the realization of a financial benefit by the [current or former] public officer or employee or another person, the Commission may, in addition to any other penalties provided by law, require the [current or former] public officer or employee to pay a civil penalty of not more than twice the amount so realized.
- [4.] 5. In addition to any other penalties provided by law, if [a proceeding results in] the Commission issues an opinion in which it finds that:
- (a) $\frac{1}{1}$ One or more willful violations of this chapter have been committed by a State Legislator removable from office only through expulsion by the State

Legislator's own House pursuant to Section 6 of Article 4 of the Nevada Constitution, the Commission shall:

- (1) If the State Legislator is a member of the Senate, submit the opinion to the Majority Leader of the Senate or, if the Majority Leader of the Senate is the subject of the opinion or the person who requested the opinion, to the President Pro Tempore of the Senate; or
- (2) If the State Legislator is a member of the Assembly, submit the opinion to the Speaker of the Assembly or, if the Speaker of the Assembly is the subject of the opinion or the person who requested the opinion, to the Speaker Pro Tempore of the Assembly.
- —(b)] One or more willful violations of this chapter have been committed by a state officer removable from office only through impeachment pursuant to Article 7 of the Nevada Constitution, the Commission shall submit the opinion to the Speaker of the Assembly and the Majority Leader of the Senate or, if the Speaker of the Assembly or the Majority Leader of the Senate is the person who requested the opinion, to the Speaker Pro Tempore of the Assembly or the President Pro Tempore of the Senate, as appropriate.
- **(e)** (b) One or more willful violations of this chapter have been committed by a public officer other than a public officer described in **[paragraphs] paragraph** (a) , **[and (b),]** the willful violations shall be deemed to be malfeasance in office for the purposes of NRS 283.440 and the Commission:
- (1) May file a complaint in the appropriate court for removal of the public officer pursuant to NRS 283.440 when the public officer is found in the opinion to have committed fewer than three willful violations of this chapter.
- (2) Shall file a complaint in the appropriate court for removal of the public officer pursuant to NRS 283.440 when the public officer is found in the opinion to have committed three or more willful violations of this chapter.
- This paragraph grants an exclusive right to the Commission, and no other person may file a complaint against the public officer pursuant to NRS 283.440 based on any violation found in the opinion.
- [5.] 6. Notwithstanding any other provision of this chapter, any act or failure to act by a [public officer or employee] *current* or former public officer or employee relating to this chapter is not a [willful] violation of this chapter if the public officer or employee establishes by sufficient evidence that:
- (a) The public officer or employee relied in good faith upon the advice of the *Executive Director or Commission Counsel pursuant to subsection 6 of NRS 281A.680 or* legal counsel *employed or* retained by his or her public body, agency or employer; and
- (b) The advice of the *Executive Director, Commission Counsel or* legal counsel, *as applicable*, was:
- (1) Provided to the public officer or employee before the public officer or employee acted or failed to act; and
- (2) Based on a reasonable legal determination by the *Executive Director*, *Commission Counsel or* legal counsel under the circumstances when the advice was given that the act or failure to act by the public officer or employee

would not be contrary to the provisions of this chapter as interpreted [by] in the published opinions of the Commission.

- [6.] 7. In addition to any other penalties provided by law, if a public employee commits a [willful] violation of this chapter or fails to complete a period of compliance imposed by the Commission pursuant to NRS 281A.785 or by the review panel as part of the terms and conditions of a deferral agreement [, the public employee is subject to disciplinary proceedings by the]
- (a) The Commission shall provide that information to the public body, agency or employer of the public employee; and [must be referred for]
- (b) The public body, agency or employer may pursue or take appropriate disciplinary action against the public employee in accordance [to] with the applicable provisions governing [the] his or her public employment. [of the public employee.
- —7.] 8. The provisions of this chapter do not abrogate or decrease the effect of the provisions of the Nevada Revised Statutes which define crimes or prescribe punishments with respect to the conduct of public officers or employees. If the Commission finds that a *current or former* public officer or employee has committed a [willful] violation of this chapter which it believes may also constitute a criminal offense, the Commission shall refer the matter to the Attorney General or the district attorney, as appropriate, for a determination of whether a crime has been committed that warrants prosecution.
- [8.] 9. The imposition of a civil penalty pursuant to [subsection 1, 2 or 3] any provision of subsections 1 to 4, inclusive, is a final decision for the purposes of judicial review pursuant to NRS 233B.130.
- [9.] 10. A finding by the Commission that a *current or former* public officer or employee *or any other person* has violated any provision of this chapter must be supported by a preponderance of the evidence unless a greater burden is otherwise prescribed by law.
- Sec. 55. <u>Title 17 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 56 to 112, inclusive, of this act.</u>
- Sec. 56. <u>This chapter may be cited as the Nevada Legislative Ethics</u> Law.
 - Sec. 57. The Legislature hereby finds and declares that:
- 1. The purposes of this chapter are to:
- (a) Establish the highest standards of ethical behavior founded upon principles of dignity, decorum, civility and respect;
- (b) Prohibit any conduct that creates the appearance of impropriety; and
- (c) Prohibit any improper, inappropriate or dishonorable conduct that is unbecoming to the legislative process or is inconsistent with or undermines the people's faith, trust and confidence in the integrity of the legislative process.
 - 2. This chapter must be construed:

- (a) Liberally to carry out and achieve its purposes; and
- (b) Strictly against any person alleging that his or her conduct is not subject to its provisions, so that any doubt or uncertainty as to the application of its provisions must be resolved against such a person and in favor of removing unethical behavior from the legislative process.
- Sec. 58. <u>As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 59 to 77, inclusive, of this act have the meanings ascribed to them in those sections.</u>
- Sec. 59. "Adjudicatory hearing" means a hearing held by the Senate Commission, Assembly Commission or Joint Commission, as applicable, pursuant to this chapter to receive evidence, render a decision and, if appropriate, issue an opinion concerning an ethics complaint.
- Sec. 60. <u>"Assembly Commission" means the Assembly Commission on Ethics created by section 95 of this act.</u>
- Sec. 61. <u>"Business entity" means an organization or enterprise operated for economic gain, including, without limitation, a proprietorship, partnership, firm, business, company, trust, joint venture, syndicate, corporation or association.</u>
 - Sec. 62. "Candidate" means any person:
- 1. Who files a declaration of candidacy; or
- 2. Whose name appears on an official ballot at any election.
- Sec. 63. "Chair" means:
- 1. The Chair of the Senate Commission, Assembly Commission or Joint Commission, as applicable; or
- 2. The Vice Chair or another member serving in the capacity of the Chair.
- Sec. 64. <u>"Commitment in a private capacity" means a private commitment, interest or relationship of a legislative officer or employee to:</u>
- 1. The spouse or domestic partner of the legislative officer or employee;
- 2. A member of the household of the legislative officer or employee;
- 3. A relative of the legislative officer or employee, or the spouse or domestic partner of the legislative officer or employee, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity:
- 4. The employer of the legislative officer or employee, the spouse or domestic partner of the legislative officer or employee or a member of the household of the legislative officer or employee;
- 5. A person with whom the legislative officer or employee has a substantial and continuing business relationship; or
- 6. A person with whom the legislative officer or employee has any other private commitment, interest or relationship that is substantially similar to a private commitment, interest or relationship described in subsections 1 to 5, inclusive.

- Sec. 65. <u>"Compensation" means any money, thing of value or economic benefit conferred on or received by any person in return for services rendered, personally or by another person.</u>
- Sec. 66. "Domestic partner" means a person in a domestic partnership.
- Sec. 67. "Domestic partnership" means a domestic partnership as defined in NRS 122A.040.
- Sec. 68. <u>"Ethics complaint" means an ethics complaint which is filed</u> with the Senate Commission, Assembly Commission or Joint Commission, as applicable, pursuant to this chapter regarding the propriety of the conduct of a legislative officer or employee under the legislative ethical standards.
- Sec. 69. <u>"Household" means an association of persons who live in the same home or dwelling and who are related by blood, adoption, marriage or domestic partnership.</u>
- Sec. 70. <u>"Joint Commission" means the Joint Commission on Ethics</u> created by section 99 of this act.
- Sec. 71. 1. "Legislative employee" means any employee, assistant, attache, intern or other staff employed with reference to the legislative duties of a Legislator or the Legislative Department, regardless of whether they are paid or otherwise compensated to serve in their positions.
- 2. The term includes, without limitation, any employee, assistant, attache, intern or other staff of:
- (a) The Legislature or either House;
- (b) Any legislative committee;
- (c) Any legislative office or caucus;
- (d) Any division of the Legislative Counsel Bureau; or
- (e) Any other agency, body, office, organization or unit of the Legislative Department.
 - Sec. 72. "Legislative ethical standards" means:
- 1. Any statutory ethical standards set forth in this chapter; and
- 2. Any other ethical standards recognized by the rules adopted by the Houses pursuant to Section 6 of Article 4 of the Nevada Constitution.
 - Sec. 73. 1. "Legislative officer" means:
- (a) A member of the Senate, the Secretary of the Senate or any other officer of the Senate;
- (b) A member of the Assembly, the Chief Clerk of the Assembly or any other officer of the Assembly; or
- (c) Any other officer of the Legislature, the Legislative Counsel Bureau or the Legislative Department.
- 2. The term does not include the Lieutenant Governor when acting in his or her official capacity as the President of the Senate.
- Sec. 74. <u>1. "Opinion" means an opinion issued by the Senate</u> Commission, Assembly Commission or Joint Commission, as applicable, in accordance with the provisions of this chapter.
- 2. The term includes, without limitation, the disposition of an ethics complaint by stipulation, agreed settlement, consent order or default.

- Sec. 75. <u>"Pecuniary interest" means any beneficial or detrimental</u> interest in a matter that consists of or is measured in money or is otherwise related to money, including, without limitation:
- 1. Anything of economic value; and
- 2. Payments or other money which a person is owed or otherwise entitled to by virtue of any statute, regulation, code, ordinance or contract or other agreement.
- Sec. 76. <u>"Senate Commission" means the Senate Commission on Ethics created by section 91 of this act.</u>
- Sec. 77. <u>"State agency of the Executive Department" means any agency, bureau, board, commission, department, division, office or other unit of the Executive Department.</u>
- Sec. 78. 1. In carrying out the provisions of this chapter, the Legislative Department is entitled to pursue every legal and equitable remedy that is available to enforce the provisions of this chapter.
- 2. This chapter does not create any private right of action for any person, and this chapter cannot be enforced by any person in any private right of action.
- Sec. 79. 1. This chapter supplements all other ethical standards recognized by the rules adopted by the Houses pursuant to Section 6 of Article 4 of the Nevada Constitution and does not limit the application of such other ethical standards but is cumulative thereto, so that the application or attempted application of any one of the ethical standards does not bar the application or attempted application of any other, except in circumstances where Section 6 of Article 4 of the Nevada Constitution invests each House with plenary and exclusive constitutional powers.
- 2. If there is any conflict between the provisions of the rules adopted by the Houses pursuant to Section 6 of Article 4 of the Nevada Constitution and the provisions of this chapter, the provisions of the rules control.
- Sec. 80. 1. Except as otherwise provided in this section, the Senate Commission, Assembly Commission or Joint Commission, as applicable, has jurisdiction to investigate and take appropriate actions regarding an alleged violation of the legislative ethical standards by a legislative officer or employee or former legislative officer or employee in any proceedings commenced by an ethics complaint which is filed in accordance with this chapter within 2 years after the alleged violation or reasonable discovery of the alleged violation.
- 2. The Senate Commission, Assembly Commission or Joint Commission, as applicable, does not have jurisdiction in circumstances where Section 6 of Article 4 of the Nevada Constitution invests each House with plenary and exclusive constitutional powers.
- Sec. 81. In applying the provisions of this chapter to an alleged violation by a former legislative officer or employee, the use of the term "legislative officer" or "legislative employee" in this chapter must be interpreted to include the former legislative officer or employee, unless the commencement

of proceedings against the former legislative officer or employee concerning the alleged violation is time-barred by the statute of limitations pursuant to section 80 of this act.

- Sec. 82. <u>1. The provisions of this chapter establish legislative ethical standards to govern:</u>
- (a) Legislative officers and employees; and
- (b) Former legislative officers and employees in situations where the legislative ethical standards apply to the conduct of former legislative officers and employees after the end of any period of legislative service or employment.
- 2. The legislative ethical standards set forth in this chapter are cumulative and supplement each other, and the application of any one of the legislative ethical standards to a given set of facts and circumstances does not bar the application of any other of the legislative ethical standards that also apply to the given set of facts and circumstances.
- Sec. 83. 1. A legislative officer or employee shall not seek or accept any gift, service, favor, employment, engagement, emolument or economic opportunity, for the legislative officer or employee or any person to whom the legislative officer or employee has a commitment in a private capacity, which would tend to improperly influence a reasonable person in the legislative officer's or employee's position to depart from the faithful and impartial discharge of the legislative officer's or employee's official duties.
- 2. A legislative officer or employee shall not use the legislative officer's or employee's official position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for the legislative officer or employee, any business entity in which the legislative officer or employee has a significant pecuniary interest or any person to whom the legislative officer or employee has a commitment in a private capacity. As used in this subsection, "unwarranted" means without justification or adequate reason.
- 3. A legislative officer or employee shall not participate as an agent of the Legislative Department in the negotiation or execution of a contract between the Legislative Department and the legislative officer or employee, any business entity in which the legislative officer or employee has a significant pecuniary interest or any person to whom the legislative officer or employee has a commitment in a private capacity.
- 4. A legislative officer or employee shall not accept any salary, retainer, augmentation, expense allowance or other compensation from any private source, for the legislative officer or employee or any person to whom the legislative officer or employee has a commitment in a private capacity, for the performance of the legislative officer's or employee's official duties.
- 5. If a legislative officer or employee acquires, through the legislative officer's or employee's official duties or relationships, any information which by law or practice is not at the time available to people generally, the legislative officer or employee shall not use the information to further a

significant pecuniary interest of the legislative officer or employee or any other person or business entity.

- 6. A legislative officer or employee shall not suppress any governmental report or other official document because it might tend to affect unfavorably a significant pecuniary interest of the legislative officer or employee or any person to whom the legislative officer or employee has a commitment in a private capacity.
- 7. Except for Legislators who are subject to the restrictions set forth in subsection 8, a legislative officer or employee shall not use governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest of the legislative officer or employee or any person to whom the legislative officer or employee has a commitment in a private capacity. This subsection does not prohibit:
- (a) A limited use of governmental property, equipment or other facility for personal purposes if:
 - (1) At the time that the use occurs, the use is:
- (I) Authorized by a written policy which was adopted before the use occurs by the legislative officer or employee who is responsible for and has authority to authorize the use of such property, equipment or other facility; or
- (II) Necessary as a result of emergency circumstances, whether or not the use is authorized by such a written policy;
- (2) The use does not interfere with the performance of the legislative officer's or employee's official duties;
 - (3) The cost or value related to the use is nominal; and
 - (4) The use does not create the appearance of impropriety;
- (b) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or
- (c) The use of telephones or other means of communication if there is not a special charge for that use.
- → If the Legislative Department incurs a cost as a result of a use that is authorized pursuant to this subsection or would ordinarily charge a member of the general public for the use, the legislative officer or employee shall promptly reimburse the cost or pay the charge to the Legislative Department.
- 8. A Legislator shall not:
- (a) Use governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest of the Legislator or any person to whom the Legislator has a commitment in a private capacity. This paragraph does not prohibit:
- (1) A limited use of governmental property, equipment or other facility for personal purposes if:
- (I) The use does not interfere with the performance of the Legislator's official duties;
 - (II) The cost or value related to the use is nominal; and

- (III) The use does not create the appearance of impropriety;
- (2) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or
- (3) The use of telephones or other means of communication if there is not a special charge for that use.
- (b) Require or authorize a legislative employee, while on duty, to perform personal services or assist in a private activity, except:
- (1) In unusual and infrequent situations where the legislative employee's service is reasonably necessary to permit the Legislator or legislative employee to perform that person's official duties; or
- (2) Where such service has otherwise been established as legislative policy.
- 9. A legislative officer or employee shall not attempt to benefit a significant personal or pecuniary interest of the legislative officer or employee or any person to whom the legislative officer or employee has a commitment in a private capacity through the influence of a subordinate.
- 10. A legislative officer or employee shall not seek other employment or contracts for the legislative officer or employee or any person to whom the legislative officer or employee has a commitment in a private capacity through the use of the legislative officer's or employee's official position.
- 11. As used in this section, "appearance of impropriety" means a reasonable person would find, based on the given set of facts and circumstances, that a legislative officer's or employee's limited use of governmental property, equipment or other facility for personal purposes is inappropriate, disproportionate, excessive or unreasonable under that given set of facts and circumstances.
- Sec. 84. 1. A legislative officer or employee shall not use the legislative officer's or employee's official position or power in the government to take any actions or compel a subordinate to take any actions that a reasonable person would find, based on the given set of facts and circumstances, to be a gross or unconscionable abuse of official position or power that would undermine the integrity or impartiality of a reasonable person in the legislative officer's or employee's position under the same or similar facts and circumstances.
- 2. The provisions of this section must not be interpreted to apply to any allegations claiming only bias, error or abuse of discretion in any findings, decisions, policy-making or other actions taken by a legislative officer or employee within the normal course and scope of his or her official position or power in government.
- Sec. 85. 1. Unless permitted by this section, a legislative officer or employee shall not represent or counsel a private person for compensation before any state agency of the Executive Department or the Legislative Department.

- 2. A Legislator, or a legislative officer or employee whose legislative service requires less than half of his or her time, may represent or counsel a private person for compensation before any state agency of the Executive Department in which he or she does not serve.
- Sec. 86. 1. Except as otherwise provided in this section and NRS 218A.970 and 332.800, a legislative officer or employee shall not bid on or enter into a contract between a state agency of the Executive Department and any business entity in which the legislative officer or employee has a significant pecuniary interest.
- 2. A legislative officer or employee may bid on or enter into a contract between a state agency of the Executive Department and any business entity in which the legislative officer or employee has a significant pecuniary interest if:
- (a) The contracting process is controlled by the rules of open competitive bidding or the rules of open competitive bidding or for a solicitation are not employed as a result of the applicability of NRS 332.112 or 332.148;
- (b) The sources of supply are limited;
- (c) The legislative officer or employee has not taken part in developing the contract plans or specifications; and
- (d) The legislative officer or employee will not be personally involved in opening, considering or accepting offers.
- Sec. 87. <u>1. Except as otherwise provided in this section, a legislative officer or employee shall not accept or receive an honorarium.</u>
- 2. An honorarium paid on behalf of a legislative officer or employee to a charitable organization from which the legislative officer or employee does not derive any financial benefit is deemed not to be accepted or received by the legislative officer or employee for the purposes of this section.
- 3. This section does not prohibit:
- (a) The receipt of any payment by a legislative officer or employee for work performed outside the normal course and scope of his or her legislative office or employment if the performance of that work is consistent with the applicable policies of his or her legislative body, agency or employer regarding supplemental employment.
- (b) The receipt of an honorarium by the spouse or domestic partner of a legislative officer or employee if it is related to the profession or occupation of the spouse or domestic partner.
- 4. As used in this section, "honorarium" means the payment of money or anything of value for an appearance or speech by the legislative officer or employee in his or her capacity as a legislative officer or employee. The term does not include the payment of:
- (a) The actual and necessary costs incurred by the legislative officer or employee, the spouse or domestic partner of the legislative officer or employee or any assistant of the legislative officer or employee for transportation and for lodging and meals while the legislative officer or employee is away from his or her residence.

- (b) Compensation which would otherwise have been earned by the legislative officer or employee in the normal course and scope of his or her legislative office or employment.
- (c) A fee for a speech related to the legislative officer's or employee's profession or occupation outside the normal course and scope of his or her legislative office or employment if:
- (1) Other members of the profession or occupation are ordinarily compensated for such a speech; and
- (2) The fee paid to the legislative officer or employee is approximately the same as the fee that would be paid to a member of the private sector whose qualifications are similar to those of the legislative officer or employee for a comparable speech.
- (d) A fee for a speech delivered to an organization of legislatures, legislators or other elected officers.
- 5. In addition to any other remedies or penalties provided by law, a legislative officer or employee who violates the provisions of this section shall forfeit the amount of the honorarium.
- Sec. 88. <u>1. Except as otherwise provided in this section, a legislative officer or employee shall not request or otherwise cause the Legislative Department to incur an expense or make an expenditure to support or oppose:</u>
- (a) A ballot question.
- (b) A candidate.
- 2. For the purposes of paragraph (b) of subsection 1, an expense incurred or an expenditure made by the Legislative Department shall be considered an expense incurred or an expenditure made in support of a candidate if:
- (a) The expense is incurred or the expenditure is made for the creation or dissemination of a pamphlet, brochure, publication, advertisement or television programming that prominently features the activities of a current legislative officer or employee who is a candidate for a state, local or federal elective office; and
- (b) The pamphlet, brochure, publication, advertisement or television programming described in paragraph (a) is created or disseminated during the period specified in subsection 3.
- 3. The period during which the provisions of subsection 2 apply to the Legislative Department begins when a current legislative officer or employee files a declaration of candidacy and ends on the date of the general election, general city election or special election for the office for which the current legislative officer or employee is a candidate.
- 4. The provisions of this section do not prohibit the creation or dissemination of, or the appearance of a candidate in or on, as applicable, a pamphlet, brochure, publication, advertisement or television programming that:

- (a) Is made available to the public on a regular basis and merely describes the functions of:
- (1) The legislative office or employment held by the legislative officer or employee who is the candidate; or
 - (2) The Legislative Department; or
- (b) Is created or disseminated in the course of carrying out a duty of:
- (1) The legislative officer or employee who is the candidate; or
- (2) The Legislative Department.
- 5. The provisions of this section do not prohibit an expense or an expenditure incurred to create or disseminate a television program that provides a forum for discussion or debate regarding a ballot question, if persons both in support of and in opposition to the ballot question participate in the television program.
- 6. The provisions of this section do not prohibit an expense or an expenditure incurred to carry out any functions, powers or duties regarding preparation and distribution of ballot materials for a ballot question as authorized or required by NRS 218D.810 or any other law, rule or resolution.
- 7. As used in this section, "pamphlet, brochure, publication, advertisement or television programming" includes, without limitation, a publication, a public service announcement and any programming on a television station created to provide community access to cable television. The term does not include:
- (a) A press release issued to the media by the Legislative Department; or
 (b) An official Internet website of the Legislative Department.
- Sec. 89. A current or former legislative officer or employee, except a clerical employee, shall not solicit or accept employment from a person to whom a contract for supplies, materials, equipment or services was awarded by the Legislative Department, or was implemented, managed or administered by the Legislative Department, as applicable, during the legislative officer's or employee's period of legislative service or employment or for 1 year after the termination of his or her period of legislative service or employment if:
- 1. The amount of the contract exceeded \$25,000;
- 2. The contract was awarded or was implemented, managed or administered by the Legislative Department, as applicable, within the immediately preceding year during the legislative officer's or employee's period of legislative service or employment or within the year immediately preceding the termination of the legislative officer's or employee's period of legislative service or employment; and
- 3. The position held by the legislative officer or employee at the time the contract was awarded or while the contract was implemented, managed or administered by the Legislative Department, as applicable, allowed the legislative officer or employee to materially affect or influence the awarding of the contract or its implementation, management or administration.

- Sec. 90. 1. In addition to any other remedies or penalties provided by law, a governmental grant, contract or lease entered into by any person in violation of this chapter is voidable by the governmental entity. In a determination under this section of whether to void a grant, contract or lease, the interests of innocent third parties who could be damaged must be taken into account. The Attorney General or official attorney for the governmental entity must give notice of the intent to void a grant, contract or lease under this section not later than 30 days after the Senate Commission, Assembly Commission or Joint Commission, as applicable, has determined that there has been a related violation of this chapter.
- 2. Any actions taken by a state agency of the Executive Department in violation of this chapter is voidable, except that the interests of innocent third parties in the nature of the violation must be taken into account. The Attorney General may also pursue any other available legal or equitable remedies.
- 3. In addition to any other remedies or penalties provided by law, the Attorney General may recover any fee, compensation, gift or benefit received by any person as a result of a violation of this chapter by a legislative officer or employee. An action to recover pursuant to this section must be brought within 2 years after the violation or reasonable discovery of the violation.
- Sec. 91. <u>1. The Senate Commission on Ethics is hereby created.</u> Subject to the provisions of this section, the Senate Commission consists of seven members appointed as follows:
- (a) Two members of the Senate appointed by the Majority Leader of the Senate from the majority political party;
- (b) One member of the Senate appointed by the Minority Leader of the Senate from the minority political party; and
- (c) Four persons who are qualified electors of this State, with two such members appointed by the Majority Leader, one such member appointed by the Minority Leader and one such member appointed by the other members appointed to the Commission. The members appointed pursuant to this paragraph must not be a current member of the Legislature or employed by the State of Nevada during their terms.
- 2. Not more than four members of the Senate Commission may be members of the same political party.
- 3. As soon as practicable after each regular session convenes, the appointing authorities shall appoint the members of the Senate Commission. The terms of the members end when the next regular session convenes. Any member who is a Legislator and who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular session convenes.
- 4. As soon as practicable after each regular session convenes, the appointing authorities shall appoint the following alternate members for the Senate Commission:

- (a) The Majority Leader shall appoint an alternate member with the qualifications set forth in paragraph (a) of subsection 1 and an alternate member with the qualifications set forth in paragraph (c) of subsection 1.
- (b) The Minority Leader shall appoint an alternate member with the qualifications set forth in paragraph (b) of subsection 1 and an alternate member with the qualifications set forth in paragraph (c) of subsection 1.
- (c) The members of the Commission shall appoint an alternate member with the qualifications set forth in paragraph (c) of subsection 1.
- 5. The terms of the alternate members end when the next regular session convenes. Any alternate member who is a Legislator and who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular session convenes.
- 6. If a member of the Senate Commission is unable to serve for any reason during the consideration of a specific matter, the alternate member appointed with the qualifications from the same paragraph in subsection 1 by the same appointing authority shall serve as a member of the Commission during the consideration of the specific matter, with all the rights, powers, privileges and immunities of a regular member.
- 7. A vacancy in the membership or alternate membership of the Senate Commission must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- Sec. 92. <u>1. The Legislative Commission shall review and approve the budget and work program for the Senate Commission and any changes to the budget or work program.</u>
- 2. Except during a regular or special session, for each day or portion of a day during which members of the Senate Commission who are Legislators attend a meeting of the Commission or are otherwise engaged in the business of the Commission, the members are entitled to receive:
- (a) The compensation provided for a majority of the Legislators during the first 60 days of the preceding regular session;
- (b) The per diem allowance provided for state officers and employees generally; and
- (c) The travel expenses provided pursuant to NRS 218A.655.
- 3. The members of the Senate Commission who are not Legislators serve without compensation. For each day or portion of a day during which those members attend a meeting of the Commission or are otherwise engaged in the business of the Commission, the members are entitled to receive:
- (a) The per diem allowance provided for state officers and employees generally; and
- (b) The travel expenses provided pursuant to NRS 218A.655.
- 4. An alternate member of the Senate Commission who serves for a regular member during the consideration of a specific matter is entitled to receive the same compensation, per diem allowances and travel expenses as that regular member would be entitled to receive for the same service.

- 5. All compensation, per diem allowances and travel expenses must be paid from the Legislative Fund.
- Sec. 93. <u>1. The Majority Leader of the Senate shall appoint the Chair and Vice Chair of the Senate Commission.</u>
- 2. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- 3. The Chair may prescribe rules, practices and procedures for the Senate Commission's management, government and proceedings.
- 4. The Chair may take, direct or require any necessary and reasonable actions to facilitate or carry out the Senate Commission's management, government and proceedings, including, without limitation, issuing and enforcing any orders or other directives to the parties and any attorneys representing the parties.
- 5. The Vice Chair shall serve as the acting Chair if the Chair is unable to serve for any reason during the consideration of a specific matter.
- Sec. 94. <u>1. The Senate Commission shall meet at such times and places as specified by a call of the Chair or a majority of the Commission.</u>
- 2. At a meeting, four members of the Senate Commission constitute a quorum, and a quorum may exercise all the power and authority conferred on the Commission.
- 3. The Senate Commission shall hear ethics complaints brought against a legislative officer or employee of the Senate regarding an alleged violation of the legislative ethical standards.
- 4. The Senate Commission may hear requests brought by a legislative officer or employee of the Senate for advice on the legislative ethical standards.
- Sec. 95. <u>1. The Assembly Commission on Ethics is hereby created.</u>
 Subject to the provisions of this section, the Assembly Commission consists of six members appointed as follows:
- (a) Two members of the Assembly appointed by the Speaker of the Assembly from the majority political party;
- (b) One member of the Assembly appointed by the Minority Leader of the Assembly from the minority political party; and
- (c) Three persons who are qualified electors of the State, with two such members appointed by the Speaker and one such member appointed by the Minority Leader. The members appointed pursuant to this paragraph must not be a current member of the Legislature or employed by the State of Nevada during their terms.
- 2. As soon as practicable after each regular session convenes, the appointing authorities shall appoint the members of the Assembly Commission. The terms of the members end when the next regular session convenes. Any member who is a Legislator and who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular session convenes.

- 3. As soon as practicable after each regular session convenes, the appointing authorities shall appoint the following alternate members for the Assembly Commission:
- (a) The Speaker shall appoint an alternate member with the qualifications set forth in paragraph (a) of subsection 1 and an alternate member with the qualifications set forth in paragraph (c) of subsection 1.
- (b) The Minority Leader shall appoint an alternate member with the qualifications set forth in paragraph (b) of subsection 1 and an alternate member with the qualifications set forth in paragraph (c) of subsection 1.
- 4. The terms of the alternate members end when the next regular session convenes. Any alternate member who is a Legislator and who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular session convenes.
- 5. If a member of the Assembly Commission is unable to serve for any reason during the consideration of a specific matter, the alternate member appointed with the qualifications from the same paragraph in subsection 1 by the same appointing authority shall serve as a member of the Commission during the consideration of the specific matter, with all the rights, powers, privileges and immunities of a regular member.
- 6. A vacancy in the membership or alternate membership of the Assembly Commission must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- Sec. 96. <u>1. The Legislative Commission shall review and approve the budget and work program for the Assembly Commission and any changes to the budget or work program.</u>
- 2. Except during a regular or special session, for each day or portion of a day during which members of the Assembly Commission who are Legislators attend a meeting of the Commission or are otherwise engaged in the business of the Commission, the members are entitled to receive:
- (a) The compensation provided for a majority of the Legislators during the first 60 days of the preceding regular session;
- (b) The per diem allowance provided for state officers and employees generally; and
- (c) The travel expenses provided pursuant to NRS 218A.655.
- 3. The members of the Assembly Commission who are not Legislators serve without compensation. For each day or portion of a day during which those members attend a meeting of the Commission or are otherwise engaged in the business of the Commission, the members are entitled to receive:
- (a) The per diem allowance provided for state officers and employees generally; and
 - (b) The travel expenses provided pursuant to NRS 218A.655.
- 4. An alternate member of the Assembly Commission who serves for a regular member during the consideration of a specific matter is entitled to

- receive the same compensation, per diem allowances and travel expenses as that regular member would be entitled to receive for the same service.
- 5. All compensation, per diem allowances and travel expenses must be paid from the Legislative Fund.
- Sec. 97. <u>1. The Speaker of the Assembly shall appoint the Chair and Vice Chair of the Assembly Commission.</u>
- 2. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- 3. The Chair may prescribe rules, practices and procedures for the Assembly Commission's management, government and proceedings.
- 4. The Chair may take, direct or require any necessary and reasonable actions to facilitate or carry out the Assembly Commission's management, government and proceedings, including, without limitation, issuing and enforcing any orders or other directives to the parties and any attorneys representing the parties.
- 5. The Vice Chair shall serve as the acting Chair if the Chair is unable to serve for any reason during the consideration of a specific matter.
- Sec. 98. <u>1. The Assembly Commission shall meet at such times and places as specified by a call of the Chair or a majority of the Commission.</u>
- 2. At a meeting, four members of the Assembly Commission constitute a quorum, and a quorum may exercise all the power and authority conferred on the Commission.
- 3. The Assembly Commission shall hear ethics complaints brought against a legislative officer or employee of the Assembly regarding an alleged violation of the legislative ethical standards.
- 4. The Assembly Commission may hear requests brought by a legislative officer or employee of the Assembly for advice on the legislative ethical standards.
- Sec. 99. <u>1. The Joint Commission on Ethics is hereby created. Subject to the provisions of this section, the Joint Commission consists of six members appointed as follows:</u>
- (a) Three members of the Senate Commission who are Legislators appointed by the Chair of the Senate Commission; and
- (b) Three members of the Assembly Commission who are Legislators appointed by the Chair of the Assembly Commission.
- 2. The terms of the members of the Joint Commission are coextensive with their respective terms on the Senate Commission or Assembly Commission, as applicable.
- 3. If a member of the Joint Commission is unable to serve for any reason during the consideration of a specific matter, the appropriate alternate member authorized to serve for that member pursuant to section 91 or 95 of this act, as applicable, shall serve as a member of the Joint Commission during the consideration of the specific matter, with all the rights, powers, privileges and immunities of a regular member.

- Sec. 100. <u>1. The Legislative Commission shall review and approve the budget and work program for the Joint Commission and any changes to the budget or work program.</u>
- 2. Except during a regular or special session, for each day or portion of a day during which members of the Joint Commission who are Legislators attend a meeting of the Commission or are otherwise engaged in the business of the Commission, the members are entitled to receive:
- (a) The compensation provided for a majority of the Legislators during the first 60 days of the preceding regular session;
- (b) The per diem allowance provided for state officers and employees generally; and
- (c) The travel expenses provided pursuant to NRS 218A.655.
- 3. An alternate member of the Joint Commission who serves for a regular member during the consideration of a specific matter is entitled to receive the same compensation, per diem allowances and travel expenses as that regular member would be entitled to receive for the same service.
- 4. All compensation, per diem allowances and travel expenses must be paid from the Legislative Fund.
- Sec. 101. <u>1. The offices of Chair and Vice Chair of the Joint Commission alternate between the Houses, beginning with the Chair of the Senate Commission serving as the Chair of the Joint Commission and the Chair of the Assembly Commission serving as the Vice Chair of the Joint Commission, and following this pattern thereafter.</u>
- 2. The terms of the Chair and Vice Chair of the Joint Commission are coextensive with their respective terms as the Chairs of the Senate Commission and Assembly Commission, as applicable.
- 3. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- 4. The Chair may prescribe rules, practices and procedures for the Joint Commission's management, government and proceedings.
- 5. The Chair may take, direct or require any necessary and reasonable actions to facilitate or carry out the Joint Commission's management, government and proceedings, including, without limitation, issuing and enforcing any orders or other directives to the parties and any attorneys representing the parties.
- 6. The Vice Chair shall serve as the acting Chair if the Chair is unable to serve for any reason during the consideration of a specific matter.
- Sec. 102. 1. The Joint Commission shall meet at such times and places as specified by a call of the Chair or a majority of the Commission.
- 2. At a meeting, four members of the Joint Commission constitute a quorum, and a quorum may exercise all the power and authority conferred on the Commission.
- 3. The Joint Commission shall hear ethics complaints brought against a legislative officer or employee, other than a legislative officer or employee

- of the Senate or Assembly, regarding an alleged violation of the legislative ethical standards.
- 4. The Joint Commission may hear requests brought by a legislative officer or employee, other than a legislative officer or employee of the Senate or Assembly, for advice on the legislative ethical standards.
- Sec. 103. <u>As used in sections 103 to 112, inclusive, of this act, unless the context otherwise requires, "Commission" means the Senate Commission, Assembly Commission or Joint Commission, as applicable to the proceedings.</u>
- Sec. 104. 1. The Commission shall conduct investigations and hold hearings to carry out the provisions of this chapter and may exercise any of the investigative powers set forth in NRS 218E.105 to 218E.140, inclusive, and any other investigative powers that are necessary and reasonable to carry out the provisions of this chapter.
- 2. The rights, powers, privileges and immunities granted by this chapter to the Commission and its members are in addition to any other rights, powers, privileges and immunities recognized by law, and all such rights, powers, privileges and immunities are cumulative, so that the application or attempted application of any one does not bar the application or attempted application of any other.
- Sec. 105. All proceedings held by the Commission pursuant to this chapter to consider the character, alleged misconduct, professional competence or physical or mental health of any person on matters regarding the legislative ethical standards and all materials related to those proceedings are confidential, unless the legislative officer or employee who is the subject of the proceedings requests a public hearing or discloses the content of the proceedings or materials.
- Sec. 106. <u>A member of the Commission is disqualified to serve during</u> the consideration of a specific matter if:
- 1. The member is the subject of the ethics complaint alleging a violation of the legislative ethical standards regarding the specific matter;
- 2. The member is the person who requested advice on the legislative ethical standards regarding the specific matter; or
- 3. A reasonable person in the member's situation could not exercise independent judgment on the specific matter.
- Sec. 107. <u>1. An individual may file an ethics complaint against a legislative officer or employee regarding an alleged violation of the legislative ethical standards.</u>
- 2. If the alleged violation involves the conduct of more than one legislative officer or employee, separate ethics complaints must be filed regarding each legislative officer or employee.
- 3. An ethics complaint must be:
- (a) Made in writing on a form provided by the Legislative Counsel;
- (b) Signed and verified under penalty of perjury by the individual making the allegation; and

- (c) Filed with the Legislative Counsel.
- 4. The Legislative Counsel shall review the ethics complaint and any other relevant information and consult with the Chair of the Commission or, if the Chair is the subject of the ethics complaint, with the Vice Chair, to evaluate whether the Commission has jurisdiction and whether an investigation is warranted in the matter.
- 5. If it is determined that the Commission:
- (a) Does not have jurisdiction or that an investigation is not warranted in the matter, the Legislative Counsel shall send written notice of the determination to the individual who filed the ethics complaint.
- (b) Has jurisdiction and that an investigation is warranted in the matter, the Legislative Counsel shall send written notice of the determination and a copy of the ethics complaint to the legislative officer or employee who is the subject of the ethics complaint.
- 6. If the Legislative Counsel is the subject of the ethics complaint, the General Counsel shall carry out all powers and duties assigned to legal counsel for the Commission regarding that specific matter.
- Sec. 108. 1. If the Commission holds an adjudicatory hearing on an ethics complaint, the Commission shall provide the legislative officer or employee who is the subject of the ethics complaint with a written notice of the date, time and place of the hearing.
- 2. At the adjudicatory hearing, the Commission shall:
- (a) Allow the legislative officer or employee to be represented by legal counsel;
- (b) Allow the legislative officer or employee to hear the evidence presented to the Commission and to respond and present evidence on his or her own behalf; and
- (c) Require the parties to follow any other procedures that are necessary and reasonable to facilitate or carry out the adjudicatory hearing.
- 3. Strict rules of evidence do not apply to the parties at the adjudicatory hearing, but the Chair may admit or exclude any evidence based on the rules of evidence.
- 4. To facilitate or carry out the adjudicatory hearing, the Chair may instruct the Director to:
- (a) Request that the Attorney General appoint a deputy to serve as the party who presents the evidence and argues the matter against the legislative officer or employee; or
- (b) Employ outside legal counsel to serve as the party who presents the evidence and argues the matter against the legislative officer or employee.
- 5. The party who presents the evidence and argues the matter against the legislative officer or employee has the burden of proof at the adjudicatory hearing.
- 6. The standard of proof at the adjudicatory hearing is a preponderance of the evidence, which means evidence that enables a trier of fact to

- <u>determine that the existence of the contested fact is more probable than the</u> <u>nonexistence of the contested fact.</u>
- 7. For the Commission to determine that a violation of the legislative ethical standards has been proven against the legislative officer or employee, the Commission's determination must be supported by a preponderance of the evidence.
- Sec. 109. <u>1. If the Commission determines that a violation of the legislative ethical standards has not been proven against a legislative officer or employee, the Commission shall dismiss the matter.</u>
- 2. If the Commission determines that a violation of the legislative ethical standards has been proven against a legislative officer or employee, the Commission may take any actions authorized by this chapter or the rules adopted by the Houses pursuant to Section 6 of Article 4 of the Nevada Constitution.
- Sec. 110. 1. In proceedings concerning an ethics complaint, the Commission may issue a letter of caution or instruction to the legislative officer or employee who is the subject of the ethics complaint to caution or instruct the legislative officer or employee regarding the propriety of the conduct under the legislative ethical standards.
- 2. If the Commission issues a letter of caution or instruction to the legislative officer or employee, the letter may be considered in deciding the appropriate actions to be taken on any subsequent ethics complaint involving the legislative officer or employee, unless the letter is not relevant to the issues presented by the subsequent ethics complaint.
- Sec. 111. <u>1.</u> In addition to any other remedies or penalties provided by law, if the Commission determines that a violation of the legislative ethical standards has been proven against a legislative officer or employee, the Commission may take one or more of the following actions:
- (a) Admonish, reprimand or censure the legislative officer or employee.
- (b) Impose on the legislative officer or employee civil penalties:
- (1) Not to exceed \$5,000 for a separate act or event that constitutes a first violation of the legislative ethical standards;
- (2) Not to exceed \$10,000 for a separate act or event that constitutes a second violation of the legislative ethical standards; and
- (3) Not to exceed \$25,000 for a separate act or event that constitutes a third violation of the legislative ethical standards or any additional violation of the legislative ethical standards.
- (c) If the Commission finds that a violation of the legislative ethical standards has resulted in the realization of a financial benefit by the legislative officer or employee or any other person, require the legislative officer or employee to pay a civil penalty of not more than twice the amount so realized.
- (d) Take any other reasonable actions that the Commission determines will remedy the violation or deter similar violations, including, without

<u>limitation, referring the matter to the appropriate House for review and</u> consideration pursuant to Section 6 of Article 4 of the Nevada Constitution.

- 2. If a legislative officer or employee fails to pay any civil penalties imposed pursuant to this chapter, the Legislative Department is entitled to pursue every legal and equitable remedy that is available to recover and collect the civil penalties in the same manner as if they were imposed by a judgment rendered by the district court in a civil action.
- Sec. 112. 1. The provisions of this chapter do not abrogate or decrease the effect of the provisions of the Nevada Revised Statutes which define crimes or prescribe punishments with respect to the conduct of legislative officers or employees.
- 2. If the Commission finds that a legislative officer or employee has committed a violation of the legislative ethical standards which it believes may also constitute a criminal offense, the Commission shall refer the matter to the Attorney General or the district attorney, as appropriate, for a determination of whether a crime has been committed that warrants prosecution.

[See. 55.] Sec. 113. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119A.677, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 209.521, 211A.140, 213.010, 213.040, 213.095. 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 226.300, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.2242, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247. 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028. 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 437.145, 437.207, 439.4941, 439.840, 439.914, 439B.420, 439B.754, 439B.760, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245, 449.4315, 449A.112, 450.140, 450B.188, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.303, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.238, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.2673, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.3415, 632.405, 633.283, 633.301, 633.4715, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.221, 641.325, 641A.191, 641A.262, 641A.289, 641B.170, 641B.282, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625. 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, and *[section]* sections 12 and 105 of this act, sections 35, 38 and 41

of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:
 - (a) The public record:
 - (1) Was not created or prepared in an electronic format; and
 - (2) Is not available in an electronic format; or
- (b) Providing the public record in an electronic format or by means of an electronic medium would:
 - (1) Give access to proprietary software; or
- (2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.
- 5. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in the medium that is requested because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
- [Sec. 56.] Sec. 114. NRS 241.016 is hereby amended to read as follows:

- 241.016 1. The meetings of a public body that are quasi-judicial in nature are subject to the provisions of this chapter.
 - 2. The following are exempt from the requirements of this chapter:
 - (a) The Legislature of the State of Nevada.
- (b) Judicial proceedings, including, without limitation, proceedings before the Commission on Judicial Selection and, except as otherwise provided in NRS 1.4687, the Commission on Judicial Discipline.
- (c) Meetings of the State Board of Parole Commissioners when acting to grant, deny, continue or revoke the parole of a prisoner or to establish or modify the terms of the parole of a prisoner.
- 3. Any provision of law, including, without limitation, NRS 91.270, 219A.210, 228.495, 239C.140, 239C.420, 281A.350, 281A.690, 281A.735, 281A.760, 284.3629, 286.150, 287.0415, 287.04345, 287.338, 288.220, 288.590, 289.387, 295.121, 360.247, 388.261, 388A.495, 388C.150, 388D.355, 388G.710, 388G.730, 392.147, 392.467, 394.1699, 396.3295, 414.270, 422.405, 433.534, 435.610, 442.774, 463.110, 480.545, 622.320, 622.340, 630.311, 630.336, 631.3635, 639.050, 642.518, 642.557, 686B.170, 696B.550, 703.196 and 706.1725, and section 9 of this act, which:
- (a) Provides that any meeting, hearing or other proceeding is not subject to the provisions of this chapter; or
- (b) Otherwise authorizes or requires a closed meeting, hearing or proceeding,
- revails over the general provisions of this chapter.
- 4. The exceptions provided to this chapter, and electronic communication, must not be used to circumvent the spirit or letter of 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. 57.] Sec. 115. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.
- [Sec. 58.] Sec. 116. 1. Except as otherwise provided in this section, the Commission on Ethics:
- (a) Shall apply the amendatory provisions of <u>sections 2 to 54, inclusive, of</u> this act which govern the procedures applicable to administrative proceedings arising under chapter 281A of NRS to any such proceedings that are within the jurisdiction of the Commission <u>on Ethics</u> and are commenced on or after July 1, 2021, whether or not the conduct at issue in such proceedings occurred before July 1, 2021.
- (b) May apply the amendatory provisions of <u>sections 2 to 54, inclusive, of</u> this act which govern the procedures applicable to administrative proceedings arising under chapter 281A of NRS to any such proceedings that were commenced before July 1, 2021, and are still within the jurisdiction of the Commission <u>on Ethics</u> and pending before the Commission <u>on Ethics</u> on July 1, 2021, unless the Commission <u>on Ethics</u> determines that such an application would be impracticable, unreasonable or unconstitutional under the

circumstances, in which case the Commission on Ethics shall apply the procedures in effect before July 1, 2021.

- 2. The amendatory provisions of sections 10, 16, 29, 30, 31 and 33 of this act do not apply to any conduct occurring before July 1, 2021.
- Sec. 117. Notwithstanding any provisions of sections 91, 95 and 99 of this act to the contrary:
- 1. As soon as practicable after July 1, 2021, the appointing authorities shall appoint the members and alternate members of the Senate Commission on Ethics, Assembly Commission on Ethics and Joint Commission on Ethics in the manner set forth in sections 91, 95 and 99 of this act, as applicable.
- 2. The terms of the members and alternate members appointed pursuant to this section end when the next regular session of the Legislature convenes in the manner set forth in sections 91, 95 and 99 of this act, as applicable.
- Sec. 118. 1. Notwithstanding any other provisions of this act to the contrary:
- (a) If, before July 1, 2021, administrative proceedings were commenced under chapter 281A of NRS against a legislative officer or employee and are still pending before the Commission on Ethics on July 1, 2021, the Commission on Ethics may exercise continuing jurisdiction or authority over such proceedings after July 1, 2021.
- (b) If, on or after July 1, 2021, administrative proceedings are commenced under chapter 281A of NRS against a legislative officer or employee, the Commission on Ethics shall not exercise jurisdiction or authority over such proceedings, whether or not the conduct at issue in such proceedings occurred before July 1, 2021.
- 2. As used in this section:
- (a) "Legislative employee" has the meaning ascribed to it in section 71 of this act.
- (b) "Legislative officer" has the meaning ascribed to it in section 73 of this act.

[Sec. 59.] Sec. 119. This act becomes effective on July 1, 2021.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Assembly Bill No. 65 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 65.

Bill read third time.

Roll call on Assembly Bill No. 65:

YEAS-31.

NAYS—Black, Dickman, Ellison, Hafen, Hansen, Krasner, Matthews, McArthur, Titus—9. EXCUSED—Hardy, Wheeler—2.

Assembly Bill No. 65 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 3:16 p.m.

ASSEMBLY IN SESSION

At 10:54 p.m. Mr. Speaker presiding. Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 55, 291, 340, 453, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Commerce and Labor, to which was referred Senate Bill No. 325, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

SANDRA JAUREGUI, Chair

Mr. Speaker:

Your Committee on Education, to which was referred Senate Bill No. 353, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Education, to which was referred Senate Bill No. 194, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

SHANNON BILBRAY-AXELROD, Chair

Mr. Speaker:

Your Committee on Ways and Means, to which were referred Senate Bills Nos. 310, 416, 417, 424, 437, 441, 445, 449, 457, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which were referred Senate Bills Nos. 430, 431, 432, 433, 434, 435, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which was referred Senate Bill No. 428, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAGGIE CARLTON, Chair

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Ways and Means:

Assembly Bill No. 495—AN ACT relating to governmental financial administration; providing for the imposition, administration and payment of an excise tax on the Nevada gross revenue of business entities engaged in the business of extracting gold or silver in this State; revising provisions governing the distribution of the proceeds of the tax imposed on the net proceeds of minerals extracted in this State; revising provisions governing the credits against the payroll taxes imposed on certain businesses for taxpayers who donate money to a scholarship organization; authorizing a recipient of Medicaid to receive reimbursements for personal care services; eliminating the education savings accounts program; removing the prohibition against a scholarship organization using certain donations to provide a grant on behalf of a pupil other than a pupil who received such a grant in the immediately preceding school year or for whom the scholarship organization reasonably expects to provide a grant of the same amount for each school year until graduation; requiring the disbursement of certain federal money to the Department of Education for the purpose of making grants for certain educational purposes; requiring the Commission on School Funding to investigate sources of revenue to fund public education; making appropriations; providing a penalty; and providing other matters properly relating thereto.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 367.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Revenue.

Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 22, 34, 55, 69, 70, 158, 165, 175, 194, 205, 210, 211, 219, 236, 254, 278, 291, 295, 297, 310, 318, 325, 340, 353, 385, 386, 389, 416, 417, 424, 428, 430, 431, 432, 433, 434, 435, 437, 438, 441, 442, 443, 445, 449, 450, 453, 454, 456, and 457 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

REMARKS FROM THE FLOOR

Assemblywoman Benitez-Thompson moved that the Assembly adjourn until Sunday, May 30, 2021, at 12 noon.

Motion carried.

Assembly adjourned at 10:59 p.m.

Approved:

JASON FRIERSON Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly