

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

**Eighty-First Session  
April 1, 2021**

The Committee on Government Affairs was called to order by Chair Edgar Flores at 9:06 a.m. on Thursday, April 1, 2021, Online. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/81st2021](http://www.leg.state.nv.us/App/NELIS/REL/81st2021).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Edgar Flores, Chair  
Assemblywoman Selena Torres, Vice Chair  
Assemblywoman Natha C. Anderson  
Assemblywoman Annie Black  
Assemblywoman Tracy Brown-May  
Assemblywoman Venicia Considine  
Assemblywoman Jill Dickman  
Assemblywoman Bea Duran  
Assemblyman John Ellison  
Assemblywoman Susie Martinez  
Assemblyman Andy Matthews  
Assemblyman Richard McArthur  
Assemblywoman Clara Thomas

**COMMITTEE MEMBERS ABSENT:**

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Heidi Kasama, Assembly District No. 2  
Assemblywoman Sarah Peters, Assembly District No. 24

**STAFF MEMBERS PRESENT:**

Jered McDonald, Committee Policy Analyst  
Erin Sturdivant, Committee Counsel  
Judith Bishop, Committee Secretary  
Zachary Khan, Committee Secretary  
Cheryl Williams, Committee Assistant



**OTHERS PRESENT:**

Mike Draper, representing Fingerprinting Express, Reno, Nevada  
Gail J. Anderson, Deputy for Southern Nevada, Office of the Secretary of State  
Monica Pappas, Owner, Fingerprinting Express, Reno, Nevada  
Taiden Partlow, Owner, Totally Mobile Notary, Las Vegas, Nevada  
Rocky Finseth, representing Nevada Land Title Association  
Sylvia Smith Turk, representing Nevada Land Title Association  
Kimberly J. Perondi, Deputy of Commercial Recordings, Office of the Secretary of State  
Tiffany Banks, General Counsel, Nevada Realtors

**Chair Flores:**

[Roll was called.] First of all, I would like to take a very quick personal point of privilege at this time. It is my father's birthday. I know that it is not customary for him to watch hearings. I do not think he has ever watched one, but I very quickly wanted to wish him a very happy birthday.

I am going to take the agenda slightly out of order today in the interest of helping some of our members who have 40 different things that they are trying to juggle at the same time. I think the way we can go about it is we will do Assembly Bill 245 second and we will do Assembly Bill 325 first and then we will close it out with Assembly Bill 365. Do we have Assemblywoman Kasama present? [Assemblywoman Kasama was not present at this time.] I will give her some time to jump in. I do not believe I see her yet, but if we could give her a heads-up that we would like to start with her in the interest of helping our other folks get this taken care of. [Committee procedures were explained.] We will start off with Assembly Bill 245, and if somebody could please notify Assemblywoman Kasama that we will be going to her second, that way she has time to join us at a later time. If I can now hand over the virtual gavel to Vice Chair Torres.

[Assemblywoman Torres assumed the Chair.]

**Vice Chair Torres:**

We will now open the hearing on Assembly Bill 245.

**Assembly Bill 245: Increases certain fees relating to notaries public and document preparation services. (BDR 19-983)**

**Assemblyman Edgar Flores, Assembly District No. 28:**

Thank you, Madam Vice Chair. By the way, Madam Vice Chair, I do see that Assemblywoman Kasama has joined us. Assemblywoman Kasama, my apologies, we took things slightly out of order and we were going to ask that you go first. However, we opened up the hearing on Assembly Bill 245. We will have you go second, and my apologies for that confusion.

Good morning, Madam Vice Chair, members of the esteemed Committee on Government Affairs. I am Assemblyman Edgar Flores and I am here to proudly present A.B. 245. I wanted to very quickly offer a roadmap of how I intend for the conversation to proceed. I would like to first explain the genesis of this bill through the history of work we have done in this space. Afterwards, I would like to explain how I think this bill addresses some concerns that we still had under *Nevada Revised Statutes* (NRS) Chapter 240A and NRS Chapter 240, and then I would like to hand over the presentation to Mr. Mike Draper, who will talk a little bit about the folk he represents, that he has worked alongside of, and why he thinks this bill is so necessary. You will notice that on the Nevada Electronic Legislative Information System (NELIS) there is a conceptual amendment [[Exhibit C](#)]. I ask that you please review that. I will simultaneously be referring to the actual bill language and the conceptual amendment, and I will explain how they go hand in hand. Afterwards, we would like to hand over the presentation to Ms. Gail Anderson from the Nevada Secretary of State's Office, who is in the neutral position; however, she will go into how they would go about implanting the conceptual amendment and the language found in the original bill if this bill were to be enacted.

Way back in 2011, many years before I even considered running for office or ever thought about it, when I was still very hopeful and I thought I could change the world, I had an opportunity to publish a study at the University of Texas at Austin on the unauthorized practice of law and access to legal services in southern Nevada. I start there because I have been in this space and having this conversation for some time now and it is something I have seen both community members and family members impacted directly by, and I am very happy I can continue to work in this space. Anybody who comes from an underrepresented community can probably relate to anecdotal stories of having family members or friends being taken advantage of by folk pretending to be lawyers or by predatory *notarios*, or what we have now, document preparation services. There is a lot of pain that comes from this; imagine if someone is giving you legal advice on a family matter where you are fighting for the custody of your child or something similar, and you lose because you are being ill-advised by somebody who does not necessarily know what they are talking about. Or imagine you are doing some immigration paperwork and it gets done incorrectly at the end because you think that this individual is actually an attorney.

For those of you who are new to the Committee, the issue is that in a lot of different countries, particularly those Spanish-speaking countries, the word *notario*, which is an exact translation of notary, has a very different meaning. In fact, it is harder to be a *notario* in other countries than it is to be an attorney because there is a requirement for you to be an attorney plus an X number of years that you have put into the profession. That is where the confusion starts with a lot of the immigrant and migrant communities. When they come up to the United States, they bring the definition that they know from different countries, and in fact, as we all know here, a notary public has a very different purpose and function. Over the years, I have been working on numerous bills to try to address those concerns and tack on different penalties and criminalize some of this behavior. Now, I think we are in a place where we have created a lot of different laws and we have been able to go after some of these predatory businesses.

On the other side are all the good actors, a majority of them small businesses. I have had an opportunity to work closely and form a relationship with Fingerprinting Express, but there are a whole host of other ones, and these are folk that are small business owners who wake up every single morning—you will see the owners working and operating their own businesses. They are doing everything right. The question that came to me was, Well, how do we help them? If we want to make sure to help the community by getting the predatory businesses out, how do we also help the good actors in the space? That is where I had the opportunity to speak to Mr. Draper, and he bounced off some ideas on what he thought would be an immediate positive impact to benefit the good actors in the space. Obviously, going after the bad actors is important because if we get rid of the bad actors, it helps the good actors and levels the playing field. The good actors are always consistently doing everything by the book. If you get rid of the bad actors, then you help the good actors benefit. But the other question is how much they could charge. That is where I can very quickly get into the bill itself.

If you are looking at the bill itself, you will see in section 1 we are increasing the fees they can charge for signatures and again, Mr. Draper will go into why this is relevant and how we decided on these amounts, but I wanted to very broadly speak on it. We are hoping by doing this, small businesses can make a little bit more money. Obviously, when they were charging \$5 or \$2.50, they were not making a whole lot of profit there, especially in a world where they are obligated to pay more in a bond, where their registration fees have gone up, and where the cost of running a business is so much more expensive. Everything has been going up except how much they could charge. We thought that, logically, it makes sense that we ensure that they can start charging more so that these small business operators could make some money.

On the flip side, one of the things that we talked about is also increasing the fee. You will notice in the actual bill itself, on page 4, [section 3, subsection 1(a)] that the annual [renewal] registration fee of \$25 is going up to \$50 for those in the documentation preparation services world, and \$50 to \$100 [section 2, subsection 3(a)] for those in the notary world. The justification for this increase is that they are going to be charging more, and in three or four or five notarizations, they are going to make that extra \$50. But, those \$50, if you see the conceptual amendment, under amendment 3 [page 3, [Exhibit C](#)] at the very bottom, we want that fee increase, the additional \$50 under NRS Chapter 240 and the additional \$25 under NRS Chapter 240A to be placed into a special fund that can solely be used for enforcement and for going after these predatory *notarios* and predatory document preparation service businesses. Again, they are the minority of the industry. They are not the majority. But we have to be able to go after them. Unfortunately, even though we have continuously, since 2013, been putting language to go after some of these predatory actors, the reality is, if you want teeth, you have to give money to the enforcement side. That is what we are utilizing this money for.

Specifically, we want to create an additional compliance investigator 2 position. We will have Ms. Gail Anderson go into the numbers of how much it would cost to create that

position and how we believe that this increase will actually be right around that amount that we need for that.

The other thing that we want to do that you will see under amendment 2 [page 1, [Exhibit C](#)] is we want to give the Secretary of State's Office fine authority. Presently, when there is a bad actor out there—let us assume they are not licensed—if they are not licensed, there is not a lot the Secretary of State's Office can do. They will continue to practice without the license. If they are licensed and they are bad actors, they are doing things that they are not supposed to, you really are forced to revoke or suspend the license. But the issue with that is, we want these registered individuals to come into compliance. We want them to do things correctly. It should not be that if you are out of compliance, you are out of the NRS Chapter 240A or NRS Chapter 240 industry; we do not want that. We want to make sure that they can continue to operate. Through fine authority we can give the Secretary of State a little bit more teeth. We are adding the same language that you find under NRS Chapter 240. *Nevada Revised Statutes* Chapter 240 talks about notaries public. *Nevada Revised Statutes* Chapter 240A talks about document preparation services. That is why you hear me talking about both of them. Under NRS Chapter 240 now, we do have a fine authority. The Secretary of State's Office does have that. We want to replicate something similar to what we see in NRS Chapter 240 and put that in NRS Chapter 240A so that we can put in the fine authority for document preparation services, and again, by doing that, we are going to give the Secretary of State a little bit more teeth.

If I could hand over the presentation to Mr. Draper, who will get into a little bit about how those numbers were looked at, what surrounding states are doing, and he can talk about some of the great actors we have in this state.

**Mike Draper, representing Fingerprinting Express, Reno, Nevada:**

Good morning, Madam Vice Chair and members of the Assembly Government Affairs Committee. It is always great to be before this Committee. This is easily my favorite Committee that I am testifying in front of right now. I want to thank the Chair for his thoughtful leadership. This is an issue we have been discussing off and on and different things related to it over the last couple of years. He has done a lot of work, as he mentioned, in this area, an area that often gets overlooked. Today that is one of the things we are working to address. Certainly, this is an opportunity to support small business, but really it is a necessity to offset costs.

Why we are here is because over the last many years, the cost of being a notary has gone up substantially. In some cases, for notary supplies, it has gone up by four times, the bonding has gone up by more than two times, and notary prices are set in statute, as they are in many other states. There are also many states that do not set their prices in statute. Of our surrounding states, Nevada is easily one of the lowest in what we can charge for notarial services. As costs have gone up, it becomes substantially important to offset the cost of being a notary with the ability for notaries to charge more for their services. What we are proposing in this bill is a moderate price increase to offset the costs. It is comparative and relative to surrounding states and many other states in the country. For instance, Arizona,

California, Utah, and Idaho all allow for their notaries to charge more than our notaries can currently charge. These prices were not picked at random. They were picked to be competitive with the national averages, but also, as the Chair mentioned, to add an enforcement component and support the Secretary of State's Office. Ms. Anderson has spent quite a bit of time working with the Chair on issues related to this over the last many years, and I know that giving the Secretary of State's Office more tools in order to make sure we have the right people doing the right things to protect Nevadans but also support Nevada small businesses has been very important to them as well.

I will be brief. The Chair already went through the bill so there is really no need for me to go through it again. Certainly, I can answer questions. I have also asked one of our notaries from Argentum Partners, Robert Masterson, to join in case there are any questions that are far above my pay grade about what it takes to be a notary or anything along those lines. But in the interest of time and knowing you have a busy schedule, I will leave my presentation at that.

**Gail J. Anderson, Deputy for Southern Nevada, Office of the Secretary of State:**

As Chair Flores has indicated, the Secretary of State is testifying in the neutral position on A.B. 245. I also want to thank Chair Flores for his attention and his work and his understanding in this area of law. He understands the practices, the issues, and the needs, and it is very much appreciated. I oversee the document preparation services program section for the Secretary of State. That section currently consists of two staff: one administrative assistant who handles all of the registration processing, which includes annual bond monitoring as well as other administrative duties for the program; and one compliance investigator 2 who handles a caseload of investigations and examinations that ranges between 180 at the higher end to 145 at the lower end at any given time. These past two years, we have been stepping up the enforcement aspect of this law. It was enacted and took effect in 2014. We currently have 1,463 active registrants. During this fiscal year through the month of March, we have processed 722 new registrants with another 114 in "under review" status, which means we are waiting for their background investigation report and for 42 additional that are awaiting bond.

The majority of our caseload is agency-initiated and it is predominantly in two areas. We do receive consumer and customer complaints and referrals. We have had referrals from judges, we have had referrals from the Consumer Affairs Division at the Department of Business and Industry, and of course, direct complaints, and sometimes complaints filed by another registrant, perhaps with another business entity. These areas that we predominantly see are in unregistered activity, people who are not registered that should be registered; or advertising issues about what they are advertising that they are going to do, and usually along with that, their advertising and the actual practices of their business suggest the registrant is providing legal advice or recommendations to a client about their possible legal rights, remedies, the options they might have, or the selection of documents or strategies to address their issue—and as Chair Flores has mentioned, these are unlicensed practice of law issues. We do have the ability to coordinate and review some things with the Nevada State Bar, but we try to address them on the document preparation side to get these people to stop doing

those practices. They are basically giving legal advisement and preparing documents that would require a licensed attorney, and often that leads to severe consequences and harm for that client. We have also had referrals from the legal aid organizations in southern and northern Nevada.

Our current jurisdiction in NRS Chapter 240A gives us the authority to revoke a registrant for violations of the chapter or suspend their registration for the lapse or cancelation of their required bond, but there is no fine remedy or authority outside a criminal proceeding that would be handled by the district attorney or the Office of the Attorney General or a civil proceeding in court, which of course is a very extreme measure with a lot of resources necessary to even get those cases taken up by the district attorney or the Attorney General. They have to be pretty high-level dollar harm amounts. Fine authority would give much more incentive to a registrant to respond to our investigator, to address and correct identified issues that have been noticed to them by letter as a result of an examination or an investigation of a complaint filed with our office. That was always addressed. We follow the administrative proceedings of NRS Chapter 233B in terms of notification of what we are looking at, what needs to be remedied, but sometimes they do not respond at all. We send a follow-up and sometimes many weeks and months pass. We would like the ability to get their attention and have them address things that would not necessitate a fine; we just want them to do it right. Fine authority is also requested for the very important area of unregistered activity.

At the very beginning of the program's inception in 2014, the emphasis was on bringing people into compliance, to get registered. However, we now find people who have registered let their registrations lapse; they continue conducting business. They know better. We fine people that we have notified by a cease and desist order that they need to be registered, and they continue their practices. We do take civil action on those in court. Then, we fine people that started a registration application in our online system and never completed it. We know they are aware of this law, but they are ignoring the requirement to be registered. We would like that fine authority for unregistered activity as well, and a fine penalty is appropriate for willful violations of the law. In the conceptual draft, as has been mentioned, we would really like NRS Chapter 240A to mirror as much as we can some of the aspects of notary law in NRS Chapter 240, perhaps addressing this and calling it a civil penalty instead of an administrative fine. They are sister chapters of law when NRS Chapter 240A was drafted in the 77th Session, and while they are not identical in their jurisdiction, they are very closely related.

The last thing I would like to mention is that Chair Flores presents in sections 2 and 3 of the original bill the fee increases to provide funding to enhance enforcement of NRS Chapter 240A, document preparation services. The particular way to address this is with an additional investigator. With one investigator statewide, that is a huge challenge. We travel to northern Nevada—we did not last year during COVID-19, we look forward to resuming that—as well as southern Nevada, and it looks like we really need to make a trip into Nye County, into the Pahrump area, to take a look at some practices going on there. We drive to locations locally and in northern Nevada that we believe have unregistered activity to gather

information for our cease and desist over the action we are going to take. Our office is going to submit a fiscal note for a compliance investigator 2 position that would correspond with the intent of this bill to enhance enforcement. In mention of that, our current registration fees have ranged around \$65,500 the last couple of fiscal years. To double that would bring in that much at least. Again, as we enhance enforcement and get more people registered, those registration fees will be enhanced as well, and an additional compliance investigator 2 position is very close to that amount. The salary and benefits portion are a little closer to \$66,000 a year. That is what we were targeting and looking at. The way to enhance enforcement is for another investigator to help us be able to handle more and more quickly. Those are my prepared comments. I am available for questions.

**Assemblyman Flores:**

I think that summarizes the intent of the bill. I will echo, and I am glad Ms. Anderson made the mention, that the Nevada State Bar and the attorneys often do not engage in this space because they do not believe they have the teeth to go after folk that are pretending to be lawyers and are not attorneys themselves. However, as we have heard the federal administration talking about potential immigration reform, we have already started to see advertisements out in the community saying, Come in and we will start prepping your paperwork so that if there is ever immigration reform, you can be first in line. There is not even any paperwork to be provided. That does not exist yet. There is no real guidance from the federal government. No law has been passed yet. We are already seeing this problem and why enforcement is so important. We also have some garbage attorneys out there who are putting some advertisements out—I have heard it on the radio—we have to go after them, too. I think the attorney and legal community has a responsibility to go after that garbage. Here, the focus is on enforcing some of the issues we have with the limited bad actors and empower the good ones and let them make some money.

**Vice Chair Torres:**

Are there any questions from the Committee?

**Assemblyman Ellison:**

One of the things is, on these fee increases, I did not think it was ever to make money; it was a service to bring people in to where they could actually help the people and cover their costs. I did not know it was a moneymaking operation. The banks used to do it for free. Now, none of them do it. When you go in the bathrooms, you can see where they write on the wall that they will do it for a dollar, but they are not licensed either. If you could answer that, sir. I do like the bill. The only things that scare me are the fees.

**Assemblyman Flores:**

There are a lot of small businesses that do this and make a livelihood out of this. Most of the small businesses that are in this space do this plus other services. I do not know that they solely focus on this. You will hear about some mobile notaries which sometimes go to locations A, B, C, and D, and they make that the main focus of their business, but for the most part, folk that are in this space do this among other things.



The idea is absolutely for them to be able to cover their costs. Charging \$7.50 or \$15, they are not making a whole lot of money there. What we are saying is, they already have to pay more for a bond, they already have to pay more for the stamp, they already have to pay more for the everyday operation of this business model, but we have not given them an opportunity to charge a little bit more. Again, \$10.50 or \$15 does not seem like they are going to be making a whole lot of money. Honestly, I do believe they deserve to be able to profit and make some money to be able to run a successful business. I am hoping that, with their being able to charge more, we are also going to encourage more people to come into this space and have it more readily available because people say, Well, now I can make a little bit more money, maybe it makes sense. It was almost a money-losing operation. Assemblyman Ellison, I do think that it is important that we give them an opportunity to make some money there.

**Mike Draper:**

Assemblyman Ellison, it is important to remember that this is not mandating that these rates be charged. This is allowing someone the ability to charge that, but there will be businesses that will continue to offer some of these services for free. The other thing to take into consideration is the time that goes into this. Not only are you talking about the costs, supplies, bonding, and licensure, but we are also talking about—I know in our office we have two notaries and sometimes that process, depending on what documents and what things are going through, can take 30 minutes or so. When you are a small business and you are a mom-and-pop organization, sometimes that time should have a value to it. We are not talking about a significant profit margin, but we are talking about the ability to cover your costs and your time, especially as more and more services are going mobile.

**Assemblyman Ellison:**

Do they not charge an extra service to go mobile for somebody that is a senior that cannot get out or whatever and they need to get a notary? Do they not charge more to do that service?

**Assemblyman Flores:**

Yes, they can. If you read a little bit further down on page 2 of the actual bill [section 1, subsection 3(d)(2)] you will see where they can charge additional fees if they are working between the hours of 6 a.m. and 7 p.m. for travel. If they are having to travel X amount of distance, they can charge additionally for that as well.

**Assemblyman Ellison:**

I think that is justifiable. Thank you, I appreciate the bill. I took a bunch of stuff that was off of the ranch here a while back. Even though I am not there anymore, by the time I had every one of those stamped it was \$150 or more. I thought, Wow, when it used to be free at the bank, and they do not do that anymore. I understand.

**Vice Chair Torres:**

Are there any additional questions? [There were none.] We will now hear testimony in support of A.B. 245.

**Monica Pappas, Owner, Fingerprinting Express, Reno, Nevada:**

We have stores in Reno, Carson City, and Las Vegas. I have been a Nevada notary public since 2012 and I also employ 20 Nevada notary publics, 95 percent of whom are females and minorities. The important thing to note here is that the notary public designation is with the person. It is a portable skill. It does not stay with the company. We invest in our staff and train them for their notary public service because it is such an important service to the public. As mentioned before, a lot of banks no longer perform notary public services, but some of the smaller branches and credit unions do that for free for their members. Notary public fees are \$150. We are usually sitting there for an hour or longer to complete the notary public transaction. It is also important to notice here that being a notary public, you are able to be an independent contractor and entrepreneur. It is also important that with the liability that notary publics have—notarizing wills and attorneys' real estate documents—we have so much liability that it is also important that we are good at what we do. If someone can do this as a main business and not a side job, we are going to serve Nevadans on a higher level, being experts at the documentation. Having a rejection can delay things for people, and that is the last thing that we want to have happen.

The fees have increased significantly. When I started as a notary public in 2012, my notary journal was \$12. Today, my notary journal is \$44. It is hardly a lucrative business. It works for us because it is an auxiliary business. A lot of people need fingerprints and a notary for their applications to get a job, and they can get all of those services at one place. I want to stress to the Committee today that it is mainly for independent contractors and entrepreneurs to create their own business without having a formal education. All they have to do is complete the classes through the Nevada Secretary of State, get their bond, and get started. It really is a great opportunity for people to start their own business.

**Taiden Partlow, Owner, Totally Mobile Notary, Las Vegas, Nevada:**

I am a notary public here in Las Vegas. I work independently under my limited liability company, Totally Mobile Notary. My main function is as a mobile notary. I have been a notary since late 2019, after I moved to Las Vegas and I found that my full-time job did not necessarily cover all my expenses. I started working after hours and on my days off to provide this service. Although it is supplementing my income, it is not something that I could do full-time without also having a full-time job. Since 2020, I have received an increase in requests almost tenfold, of people who are in their homes and wanting to practice social distancing. Since 2020, I have gone into hospitals, I have gone into nursing homes, and I have helped people making that transition out of our world. I have felt more like a frontline worker. You can only charge \$20, so driving an hour and a half in rush hour to go for one signature, I have done it because it is a part of my duty as a notary public, but it does not always feel worth it. It has become counterproductive since I am also putting myself and my family at risk going into people's homes and not necessarily having all the coverage that I could have, seeing as with an independent job there is no health care coverage or anything like that, or it is outside my full-time job.

I am for this bill. I think it would be a great incentive for people to be notaries, and I would also think it is necessary for us to be able to cover all of our costs of travel, costs of living, and be able to supplement our income more and make it more worthwhile.

**Vice Chair Torres:**

Next caller, please. [There was no one.] We will now hear testimony in opposition of A.B. 245. [There was no one.] Is there anyone wishing to testify who is neutral to this bill? [There was no one.] Assemblyman Flores, are there any closing comments?

**Assemblyman Flores:**

I know that Assemblywoman Thomas has requested to be added as a cosponsor, and I will absolutely be doing that. If anybody else is interested, just reach out and we will get that taken care of. I want to thank you all for your time and indulgence this morning. I hope that we are going to empower some small businesses and be able to go after some bad actors.

**Vice Chair Torres:**

Thank you. I know Assemblywoman Considine is interested in cosponsoring the legislation as well. Hopefully, she can reach out to you after this hearing so that she can make that happen. I will now close the hearing on A.B. 245 and I will pass the virtual gavel back over to Chair Flores.

[Assemblyman Flores reassumed the Chair.]

**Chair Flores:**

Thank you, Madam Vice Chair. Thank you again to Ms. Gail Anderson and Mr. Draper and Fingerprinting Express. I see that we have Assemblywoman Kasama. Sorry for the confusion earlier today, Assemblywoman. We have been trying to make it work for everyone. Thank you for joining us. I would like to open up the hearing on Assembly Bill 325.

**Assembly Bill 325: Revises provisions relating to the recording of documents. (BDR 20-642)**

**Assemblywoman Heidi Kasama, Assembly District No. 2:**

I am here to present Assembly Bill 325. This bill has to do with the recording of documents. Currently in statute, we do allow for the recording of electronically filed documents. However, this would give the ability, if needed, for documents that have been signed electronically to be printed out to a paper copy, attach an example of the prescribed certificate certifying that the attached paper copy is true and correct for the recorder's office to accept. I want to also point out on the Nevada Electronic Legislative Information System (NELIS) we have two amendments for you to read [[Exhibit D](#), [Exhibit E](#)]. This is to help with a little cleanup for the title industry and recording. With that, I have two presenters as well. I would like to present Rocky Finseth with Carrara Nevada.

**Rocky Finseth, representing Nevada Land Title Association:**

Mr. Chair, I am going to walk you through the two components of the bill and then I will turn the rest of the speaking time over to Ms. Sylvia Smith Turk from the Nevada Land Title Association, who will walk you through why the industry is bringing the bill forward today.

As the Assemblywoman mentioned, it is a fairly straightforward bill. Section 1 simply authorizes the submission of the paper documentation to a county recorder's office. Section 2 of the bill simply prescribes what that form should look like. As the Assemblywoman has also mentioned, the association has submitted a conceptual amendment that should be up on NELIS [[Exhibit E](#)], and that would simply change the effective date of the legislation to July 1, 2021.

**Sylvia Smith Turk, representing Nevada Land Title Association:**

[Sylvia Smith Turk submitted written testimony [Exhibit E](#).] I am a past president and a member of the Nevada Land Title Association. First, on behalf of the Nevada Land Title Association, we would like to thank Assemblywoman Kasama for bringing forth this issue. In 2017, the Nevada Legislature passed remote, online electronic notarization legislation, which provided an invaluable tool to our industry and many others during the pandemic in allowing us to close certain real estate transactions utilizing this important legislation. One of the things that we realized after the initial bill and regulations were written was that we did not have a provision called "papering out." What that means is papering out an electronically signed and notarized document—being able to print that document and certify that the electronic document has been unchanged and is now going to be used in a paper format. The bill also provides provisions allowing the county recorders the authority to record that papered-out, originally electronically signed document.

What is papering out? Generally, it is a three-step process, as I explained, where a document in its true electronic format has gone through the process of being signed; when approved by the person signing, there is a true electronic notary who has gone through Nevada's requirements to become an electronic notary in Nevada. It then allows another notary to be able to review that document in its electronic format, print it out, and then attach a certification that certifies it is a true and accurate, unchanged copy. The papered-out document then could be submitted for recording. The certification is basically the confirmation, as I said, that certain characteristics of the document have not been changed or altered.

Why is it necessary? It provides a tool for our industry in particular to be able to record a document. There were several instances over the last couple of years, and I will speak just for Washoe County, where our county recorder had some pretty serious technical issues and they were unable to electronically record for more than one day at a time. We had to physically go to the recorder's office and record documents like we used to back in the day. We realized that without this papering-out provision, if we would have had a transaction that had been electronically signed, we had no mechanism to paper that document out and serve that consumer by being able to go and record it. It is also necessary from time to time that, should one party involved in a real estate transaction not be able to countersign the document

electronically, either because they do not have the ability to have the technology or they are not comfortable doing it, it then allows us to paper out and continue on with a live, wet signature of a notary and the person signing.

That concludes my testimony. I am certainly here and there may be questions on this. We respectfully ask that you pass the bill. I am here to answer any questions.

**Chair Flores:**

Assemblywoman Kasama, do we have anybody else we want to go to or any other remarks from you?

**Assemblywoman Kasama:**

No, those are the only presenters. We appreciate the Committee's hearing us. I believe this same situation came up in Texas. This is a cleanup for when we need those occasions to paper out the electronically signed documents. I appreciate everybody's hearing it, and I urge you all to pass A.B. 325, which will help all of our businesses that need recording of documents.

**Chair Flores:**

At this time, we will go to questions.

**Assemblywoman Torres:**

Can I get some clarification on the amendment? I am looking at the language of the amendment; are we removing the entirety of section 2 as it is and then replacing it with the language where it says "NRS 240.199," and then adding that language completely and striking section 3 or are we keeping other remaining language in section 2 that is not stricken?

**Rocky Finseth:**

I believe somebody from the Secretary of State's Office is available and will be addressing that amendment. If you do not mind, I prefer to leave the response to the Secretary of State's representative.

**Assemblywoman Torres:**

Just to be clear, Assemblywoman, you are presenting the bill without the amendment from the Secretary of State's Office, and this is an amendment that is currently not friendly?

**Assemblywoman Kasama:**

This amendment is from the Secretary of State's Office and it is very friendly, and we want it.

**Kimberly J. Perondi, Deputy of Commercial Records, Office of the Secretary of State:**

As mentioned, this is a friendly amendment. We met together and worked this out. To explain what we are proposing here, as Ms. Smith Turk said, electronic notarization was passed in the 79th Session, and currently all 17 counties do electronically accept documents for recording. The importance of electronic notarization is the security of the document and

the whole flow of the process so there is not any opportunity for tampering of the documents. But the Secretary of State's Office does understand the problem, and we are not opposed to the new process being offered here. What we are asking for in this amendment is to isolate the papering-out process in *Nevada Revised Statutes* (NRS) Chapter 240 to the specific section pertaining to electronic notarization and electronic documents. Our concern was by placing it in its own section or in the general section of NRS Chapter 240, there may be confusion with notaries who are not electronic notaries and might feel that any time they print out a document from an electronic form, not an electronically notarized document, they might be confused and think that they have to attach the certification. We know that 17 other states are doing this and the language that we offer here is very similar. The short form is very much like the other states have, and we are very much in support. The changes here are just changing it from a general section in NRS Chapter 240 to NRS 240.199, which is specific to electronic notarization.

**Chair Flores:**

We will continue with questions. [There were none.] We will invite those wishing to testify in support of A.B. 325.

**Tiffany Banks, General Counsel, Nevada Realtors:**

The Realtors appreciate Assemblywoman Kasama bringing A.B. 325 forward and are in full support of the bill. It is so important that closings happen on time and that the property is able to record and not be delayed from a technical glitch.

**Chair Flores:**

Next caller, please. [There was no one.] I would like to invite those wishing to testify in opposition to A.B. 325. [There was no one.] At this time, we will go to those wishing to testify in the neutral position to A.B. 325. [There was no one.] Assemblywoman Kasama, any closing remarks?

**Assemblywoman Kasama:**

As you can see, it really is a straightforward cleanup bill. I urge you to pass it. It helps with the recording of documents.

**Chair Flores:**

We will go ahead and close the hearing on A.B. 325 and open the hearing on Assembly Bill 365.

**Assembly Bill 365: Revises provisions relating to governmental administration.  
(BDR 23-133)**

**Assemblywoman Sarah Peters, Assembly District No. 24:**

I am here to present Assembly Bill 365. As I am sure you know, a number of federal laws have been enacted to protect rights of workers and those seeking employment. The first landmark legislation, the Civil Rights Act of 1964, was followed by other statutes including the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act, the

Equal Pay Act of 1963, Uniformed Services Employment and Reemployment Rights Act, and several others. Nevada incorporated these laws and expanded upon federal legislation in its own public policy which protects one's rights to seek, obtain, and hold employment without discrimination, distinction, or restriction because of race, religious creed, color, age, sex, disability, sexual orientation, gender identity or expression, national origin, or ancestry. Subsequently, the state has adopted policies and practices to ensure fair hiring and employment practices that meet these federal and state standards, including investigations of complaints related to such matters. However, despite the state's proactive policies regarding discrimination in the workplace, gaps remain in our ability to gauge the effectiveness of these efforts in retaining a diverse workforce. Currently, there is no process for tracking or validating complaints associated with office-related culture that may be toxic or inhospitable to employees, particularly related to those with diverse backgrounds. Without this data, there is no way to track non-federally protected complaints or allegations to determine if a systemic problem exists or assess how to fix it. Additionally, there is currently no established standard for training regarding diverse employment retention and implicit bias.

Our state has incredible diversity as is reflected in this body. I often wonder why some state divisions continue to lack the diversity reflective of the state's population. We adopted hiring practices intended to increase diversity in applicants to state positions, however we often continue to miss the mark as it relates to retention of employees with diverse backgrounds. It has been the policy of this state to direct non-federally protected complaints to the individual divisions' human resources or management to handle, and there has been no formal review of this process or the complaints and best practices policies implemented as a result of those complaints.

In the last year, our country has been reflecting on disparities among people of color and their white counterparts. We have continued to see elevated disparities between women and men in the workplace exacerbated by the conditions of the pandemic, and also reflective of the different needs of women in the workforce. Our state workforce has a history of being a place where people love to work, and retention was among the highest in any employment field. However, we are hearing from department after department that retention at the state is one of the biggest challenges our agencies are dealing with. This got me to wonder why.

Additionally, I reflect on my own challenges in a traditional work environment. I have been the primary provider for my family, required maternity leave three times, required flexibility to maintain my milk production during my nursing journey three times, while attempting to go back to work as normal, which included mandatory travel to meet client deadlines, meetings scheduled during pumping times, and meetings scheduled at buildings that were not necessarily equipped to meet the needs of a pumping mother. I went to meetings and dinners and met deadlines when my body and baby wanted some help. Do not get me wrong, I have immense amounts of support from my boss and clients, and even employees of this state who offered accommodations multiple times, but it was an immense amount of effort to maintain normalcy in my job and for my growing family. Not everyone gets this level of support. It is not mandatory. Whether it is parents who need to pick up their kids or want to attend a midday matinee of their child's pageant performance, whether it is someone trying a new

hairstyle or dealing with an undiagnosed health condition who gets unsolicited questions and comments, these are unprotected scenarios that can result in passive-aggressive comments, actions, and attitudes, leaving the employee wondering why they would want to work in such an environment at all.

There are also issues of microaggressions. To simplify, microaggressions are defined as a statement, action, or incident regarded as an instance of indirect, subtle, or unintentional discrimination against members of a marginalized group such as a racial or ethnic minority. These are sometimes subtle and often not recognizable to someone who lacks experience in identifying racial discrimination.

Assembly Bill 365 declares that it is a public policy of this state that persons employed by the state be afforded respect, dignity, and equity in the workplace. The bill requires the departments of the state government to annually prepare and submit to the Governor and the Legislature a report concerning equity in the workplace which includes a summary of each complaint filed by an employee which alleges conduct which is not unlawful but is against the declared public policy of the state and any action taken in response to such complaint. The bill also requires the Administrator of the Division of Human Resource Management of the Department of Administration to evaluate the effectiveness of any policy of the division intended to encourage equity in the workforce for persons of color and other persons of marginalized identities and prepare and submit a report to the Governor and the Legislature concerning the [unintelligible] evaluation. Additionally, this bill defines "marginalized identity" to mean an identity that causes or has historically caused a person of such an identity to be disproportionately subject to discrimination, harassment, or other negative treatment as a result of the identity.

Finally, A.B. 365 requires the Personnel Commission to adopt regulations for training of supervisors and managerial employees concerning implicit bias.

I want to remind the body that just this summer we declared racism as a public health crisis and have self-reflective work to do to ensure that we are setting standards in the state to be as anti-racist as possible. This bill is a small step in getting much-needed data to meet this goal as well as the goal of retaining a high-quality, diverse workforce that feels supported and appreciated for the hard work they do to take care of the state. Chair, I am open for questions.

**Chair Flores:**

Are there any questions?

**Assemblywoman Brown-May:**

I would like to thank you very much for bringing this bill forward. I have spent the last 20 years of my life as a disability advocate, and on many occasions, we have had individuals who have been diagnosed with autism or other developmental disabilities that have entered the employ of the state, and while the hiring practices are very solid, you are absolutely right about the need for training and ongoing support.



**Assemblywoman Anderson:**

My question has to do with section 5, subsection 2, paragraph (a). Would requirements for the training of supervisors and managerial employees concerning implicit bias be done on a yearly basis or would that be a one-time shot as soon as they become managers? How do you envision that, or do you feel that is something that the Board of Examiners should make that decision about?

**Assemblywoman Peters:**

This is an area that I think, as a country, we are really analyzing. What is the importance of training effort and what is effective? Right now, there is not a great roadmap to effective implicit bias training, but it exists. We at the University of Nevada, Reno have a training program for hiring practices and recognizing implicit bias in the hiring practices, and there are a number of other professionals in the state of Nevada who are working on this particular issue, especially in light of what we have been talking about nationally this year around racism and the need for a solid education of our communities on what that looks like and how to overcome that. My intention here is for it to be a working document and that it be addressed as the needs arise. These assessments of the complaints as they come in help us identify what we really need to work on, what management is educated in, and how they promulgate effective policy and regulations to continue to work towards that diverse workforce and anti-racist agenda.

**Assemblywoman Dickman:**

I was wondering if you know of areas where we are not behaving well? Do we not already treat people with respect and dignity? I know I do.

**Assemblywoman Peters:**

I think that is an important piece of this. There is no intended enforcement or consequence piece here aside from helping to direct people's implicit bias, which oftentimes we do not recognize in ourselves because it is a product of where we came from, how we were raised, the communities that we are a part of, and even how we were educated. Those are underlying conditions of implicit bias that can result in uncomfortable statements being made or the expectation of certain people to meet a standard that we would have as a state but is more of a personal bias standard. I do not want to call out any one entity in this state, but this is an issue that we have heard from employees who have left the state, particularly those who are people of color and women of color saying it was not a good fit for them because it did not meet them where they needed to be met. Some of those complaints included, "I cannot walk down the hallway without someone reaching out to touch my hair; that is uncomfortable." I think there are a lot of people who would not see that as being aggressive, but just do not know, do not know what that person's experience is and why that feels uncomfortable and creates a toxic culture and workplace for them.

**Assemblywoman Dickman:**

I am not being facetious, but what about the person who might enjoy the attention of someone who does reach out to touch their hair? How do we decide whose needs we meet?

**Assemblywoman Peters:**

Maybe the touching of the hair is not a great example because that really is an autonomy and consent-based issue. I think if you want to reach out and touch someone's hair, you can ask for permission and that person can give you permission. Right now, there is no set standard for that and no ability for us to assess whether that is a cultural issue or not, but I do see where you are coming from. We do not want to overshoot the mark and make everybody walk on eggshells. That is why I think the training component is particularly important, and the aggregation of the complaints is particularly important, because then we can look at the whole of a culture; where are we seeing consistent trends and issues related to toxic work culture? Where can we direct managerial training to address those issues, even if it is mediation between the two parties who are included in that non-federally protected complaint? Those kinds of things are areas that we can work on—and not just here, but I think everywhere. That is a part of having successful relationships with people, being able to meet people where they are at and identify areas where we could be more competent and consistent in our treatment of people as a whole.

**Assemblyman Matthews:**

My question was with the genesis of this. Were there particular agencies that you have identified statistically or anecdotally that have been problematic in this regard that inspired this need?

**Assemblywoman Peters:**

I work with some agencies in my day job. Growing up in this area, I also have a number of friends who have gone in and out of state government. There are articles that are published in the news. I have seen this consistent trend of the people who were complaining, the people who were being targeted, the people who were uncomfortable in our work environment. They are predominantly women or people of color, or women of color. I got to questioning, What is going on? Why are we having these consistent trends, although anecdotal? I did ask for some information from the state, and we do not collect any of it, which is where this bill comes into play. It is important for us to have that data so that we can look at what kinds of policies are reasonable to adopt to be able to address the root causes of why we are seeing the mass exodus of women of color from certain agencies or whatever the case may be. Again, I cannot direct this at any one agency, in part because we do not have the data for them and it is all anecdotal; currently there is no way for us to address those policies and those agencies. But that is part of why I want to establish what is really a baseline and foundational rule for the state. Our goal is to have a diverse workforce that adds to the quality of the services that the state offers while being anti-racist and accommodating the needs of the people today.

**Chair Flores:**

Are there any additional questions? [There were none.] We will invite those wishing to testify in support of A.B. 365. [There was no one.] We will go to those wishing to testify in opposition to A.B. 365. [There was no one.] Lastly, we will go to those wishing to testify in the neutral position to A.B. 365. [There was no one.] Assemblywoman Peters, any closing remarks?

**Assemblywoman Peters:**

Thank you, Committee, for hearing this bill. I urge you to support this legislation. It helps us gauge the effectiveness of our efforts to ensure there is no discrimination in state employment and that state employees will be treated with the dignity and respect that they deserve.

**Chair Flores:**

We will close the hearing on A.B. 365, and we look forward to continuing to work with you, Assemblywoman Peters. Next, we will go to public comment. [There was no one.] Members, I want to remind you that tomorrow we will be meeting at 9 a.m. We are going to be hearing Assembly Bill 304, Assembly Bill 333, and Assembly Bill 385. Give yourself an opportunity to become familiar with those. I would like to adjourn in honor of Latino Lobby Day. Had we not been in the middle of this pandemic, we would have seen this building with a whole host of small businesses, nonprofits, and individuals who proudly contribute every day to our community. I wanted to say thank you to all of those wonderful, empowered Latinas and Latinos out there putting in work and for all the work you do. With that, this meeting is adjourned [at 10:29 a.m.].

RESPECTFULLY SUBMITTED:

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Zachary Khan  
Committee Secretary

APPROVED BY:

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Assemblyman Edgar Flores, Chair

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

## EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a proposed conceptual amendment to Assembly Bill 245, presented and submitted by Assemblyman Edgar Flores, Assembly District No. 28.

[Exhibit D](#) is a proposed amendment to Assembly Bill 325, dated April 1, 2021, submitted by Kimberly J. Perondi, Deputy of Commercial Records, Office of the Secretary of State, and presented by Assemblywoman Heidi Kasama, Assembly District No. 2.

[Exhibit E](#) is a proposed amendment to Assembly Bill 325, submitted by Rocky Finseth, representing Nevada Land Title Company.

[Exhibit F](#) is written testimony, submitted by Sylvia Smith Turk, representing Nevada Land Title Association, in support of Assembly Bill 325.