

**MINUTES OF THE
SENATE COMMITTEE ON JUDICIARY**

**Eighty-first Session
March 11, 2021**

The Senate Committee on Judiciary was called to order by Chair Melanie Scheible at 1:00 p.m. on Thursday, March 11, 2021, Online. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Melanie Scheible, Chair
Senator Nicole J. Cannizzaro, Vice Chair
Senator James Ohrenschall
Senator Dallas Harris
Senator James A. Settelmeyer
Senator Ira Hansen
Senator Keith F. Pickard

STAFF MEMBERS PRESENT:

Patrick Guinan, Policy Analyst
Sally Ramm, Committee Secretary

OTHERS PRESENT:

John McCormick (Assistant Court Administrator, Administrative Office of the Courts, Nevada Supreme Court)
Sharath Chander (Administrator, Division of Real Estate, Department of Business and Industry)

CHAIR SCHEIBLE:

I will open the work session on Senate Bill (S.B.) 7.

SENATE BILL 7: Provides that the juvenile court has exclusive jurisdiction over certain orders for protection where the adverse party is a child under 18 years of age. (BDR 5-391)

PATRICK GUINAN (Committee Policy Analyst):

Senate Bill 7, referenced in the work session document ([Exhibit B](#)), is a Committee bill requested on behalf of the Nevada Supreme Court. It provides if an order for protection against domestic violence, harassment in the workplace, high-risk behavior, sexual assault, or stalking, aggravated stalking, or harassment is sought against a child under 18 years of age, the juvenile court has exclusive jurisdiction over other courts. Changes in the bill apply to orders issued after October 1.

The amendment proposed by the Judicial Branch clarifies that the district court and a hearing master may hear these matters, as is already permissible under statute. It removes contempt of court that can be heard in relation to a violation of an order and deletes language from the bill requiring that orders be submitted to schools attended by the protected party and the adverse party.

CHAIR SCHEIBLE:

The Judicial Branch worked with many stakeholders on this bill to make amendments that were needed. It is my understanding that the language is still permissive for the appointment of counsel for juveniles and the public defenders' offices disagree. Does the bill not reflect a complete resolution to all the stakeholder issues but instead reflects a permissive appointment of counsel for juveniles?

JOHN MCCORMICK (Assistant Court Administrator, Administrative Office of the Courts, Nevada Supreme Court):

That is accurate. We worked with the public defenders' offices in Washoe and Clark Counties in an attempt to get language regarding appointment of counsel settled but were unable to come to an agreement. We decided to leave the permissive language that existed in the bill rather than make any amendments.

SENATOR PICKARD:

I like the amendment that resolved all but one of my concerns. If we are doing a blanket exclusive jurisdiction and someone has conditions of probation that last 3 years, we are bringing a 22-year-old back to juvenile court. Other than that I like the amendments. I will probably be voting yes with a reservation.

CHAIR SCHEIBLE:

I will entertain a motion to amend and do pass S.B. 7.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 7 WITH THE PROPOSED AMENDMENT CHANGES IN SECTIONS 1 AND 2 BY THE JUDICIAL BRANCH.

SENATOR CANNIZARRO SECONDED THE MOTION.

SENATOR OHRENSCHALL:

I am a deputy public defender employed at the Clark County Public Defender's Office in the Juvenile Division. I was told by the Legislative Counsel this does not affect me differently than anyone else similarly situated and it is proper for me to be involved in this discussion and voting on this bill.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHEIBLE:

I will close the work session on S.B. 7 and open the work session on S.B. 19.

SENATE BILL 19: Establishes provisions authorizing certain entities to obtain information relating to the records of criminal history of certain persons responsible for the safety and well-being of children, elderly persons or persons with disabilities. (BDR 14-336)

MR. GUINAN:

Senate Bill 19, referenced in the work session document ([Exhibit C](#)), establishes provisions in accordance with federal law that allow qualified entities to obtain information on the records of certain persons. Such a qualified entity must create an account with the Central Repository for Nevada Records of Criminal History, provide any person subject to these requirements written notification of his or her rights and obtain a signed waiver prior to conducting a records screening. The person's fingerprints must be submitted to the Repository and forwarded to the Federal Bureau of Investigation as part of the process. Qualified entities must determine whether the person is fit to have access to vulnerable persons.

The bill contains certain liability protections for the qualified entity, and the State also authorizes the Repository to audit any qualified entry for compliance with all applicable State and federal laws.

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The amendment proposed by the Repository is intended to ensure that Nevada statutes comply with federal authority and provide clarification where the bill's original language was deemed overly broad.

CHAIR SCHEIBLE:

I will entertain a motion to amend and do pass.

SENATOR PICKARD MOVED TO AMEND AND DO PASS AS AMENDED S.B. 19 WITH THE PROPOSED AMENDMENT CHANGES TO SECTIONS 1.2, 1.4, 1.5, 1.8 AND 1.9 BY THE REPOSITORY.

SENATOR OHRENSCHALL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHEIBLE:

I will close the work session on S.B. 19 and open the work session on S.B. 31.

SENATE BILL 31: Makes various changes relating to public safety.
(BDR 14-337)

MR. GUINAN:

Senate Bill 31, referenced in the work session document ([Exhibit D](#)), revises provisions relating to the Central Repository for Nevada Records of Criminal History. The bill expands the definition of "record of criminal history" to refer to a prosecuting attorney rather than a district attorney and eliminates the requirement for the Repository to prepare and post certain reports on its website. Instead, the bill requires the Repository to provide electronic access to this statistical data on its website and to include data on certain orders for protection and on crimes against older or vulnerable persons. The bill also requires the Repository to provide to an authorized entity the criminal history of a person generally rather than limiting the information provided to convictions only or incidents for which the person is currently involved in the criminal justice system.

CHAIR SCHEIBLE:

I will accept a motion to do pass S.B. 31.

SENATOR PICKARD MOVED TO DO PASS S.B. 31.

SENATOR OHRENSCHALL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHEIBLE:

I will close the work session on S.B. 31 and open the work session on S.B. 72.

SENATE BILL 72: Makes various changes relating to common-interest communities (BDR 10-318)

MR. GUINAN:

Senate Bill 72, referenced in the work session document ([Exhibit E](#)), revises several provisions concerning common-interest communities. It provides that a limited-purpose association must comply with requirements of the Uniform Common-Interest Ownership Act pertaining to the establishment and foreclosure of a lien for assessments. It also provides that fines may be imposed by an executive board of a unit owners' association when a violation causes imminent threat to health, safety or welfare, not exceeding \$1,000 for each violation or a total amount of \$1,000 per hearing. When a violation does not cause a threat to health, safety or welfare, fines cannot exceed \$100 per violation or a total amount of \$1,000 per hearing.

This bill eliminates the requirement that an executive board may only meet in executive session with an attorney for the association on matters relating to proposed or pending litigation if the contents of the discussion are protected by attorney-client privilege. It provides instead that the board may meet in executive session with an attorney on matters that are protected by attorney-client privilege.

The bill includes provisions that a person who may be sanctioned for an alleged violation is entitled to receive written notice of the executive board's decision regarding the alleged violation within a reasonable time after the decision is made and that the period to cure a violation before it becomes a continuing violation does not commence until the date on which the notice of the board's decision is provided to the person.

The amendment proposed by the sponsor deletes language in section 2, subsection 2, paragraph (b) providing for monetary limits on the fines and replaces it with provisions allowing the Commission for Common-Interest Communities and Condominium Hotels to adopt regulations establishing criteria to be used in determining whether a violation poses an imminent threat to health, safety or welfare, the severity of such a violation and limitations on the amount of fines an association may impose.

SENATOR PICKARD:

I like the idea of sending the fine limitations through the regulation process where we are going to have an opportunity to determine if the concepts and the amounts of the fines make sense, so I am now in support of the bill.

SENATOR SETTELMAYER:

The amendments have helped. I am concerned about the last portion of the amendment: "The Commission may adopt regulations establishing the criteria used in determining whether a violation poses an imminent threat ... the severity of such violations, and limitations on the amounts of the fines." Does this mean that the fee structure may be changed at any time by the Commission?

SHARATH CHANDRA (Administrator, Department of Business and Industry, Division of Real Estate):

The "may" was put in there with the understanding that the regulation process takes a while. Without changing anything about the way things are being done now, the Commission may determine the criteria in the case at hand and then, if necessary, put a new regulation in place. That was the thought behind it.

SENATOR SETTELMAYER:

I will let the explanation go for now but in the future Legislators are not going to agree that fees and fines can be raised without going through the regulatory process first.

CHAIR SCHEIBLE:

I will entertain a motion to amend and do pass.

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED S.B. 72 WITH THE PROPOSED AMENDMENT CHANGES FROM THE SPONSOR.

SENATOR PICKARD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHEIBLE:

I will close the work session on S.B. 72 and open the work session on S.B. 95.

SENATE BILL 95: Revises provisions relating to business entities. (BDR 7-493)

MR. GUINAN:

Senate Bill 95, referenced in the work session document ([Exhibit F](#)), is an omnibus measure that revises several provisions governing Nevada business entities. Among other provisions, the bill transfers responsibility for mailing certain documents from the Clerk of the Court, the person now responsible, to a company's management; moves the definition of "publicly traded corporation" to a different section of statute to make it more generally applicable; allows a corporation to include a federal forum selection clause in its articles of incorporation or bylaws; clarifies a corporation's fiduciary duties; expands the definition of "distribution" regarding classes or series of shares; revises provisions concerning the ability of a corporation to hold virtual meetings and who may attend such meetings; revises provisions concerning the applicability for certain voting agreements and time limits placed on such agreements as well as clarifying voting requirements for certain types of business entities; expands a corporation's ability to indemnify managers in certain circumstances; clarifies the certificate of membership interest requirement for some associations that do not apply to common-interest communities; clarifies the terms "distribution" and "in interest" as they relate to limited liability companies and their members; revises provisions concerning notification of stockholders concerning actions that create dissenter's rights; and clarifies provisions governing a stockholder's demand for payment of shares and requires a stockholder to file a statement under certain circumstances.

Two amendments have been proposed. Senator Ohrenschall proposed a friendly amendment at the initial hearing on the bill, which is included in [Exhibit F](#). This amendment is largely technical.

The second amendment was submitted by the Executive Committee of the Business Law Section, State Bar of Nevada (SBN). It addresses concerns that were discussed during the initial hearing and also voiced in a letter from representatives of the Nevada Registered Agent Association (NRAA). The amendment seeks to replace the proposed changes to *Nevada Revised Statutes* 86.291 in section 22 of the bill with language that both retains the concept of management being vested in members and preserves the proportionality of members rather than establishing a default rule of a majority as currently drafted in section 22.

CHAIR SCHEIBLE:

Senator Ohrenschall, it looks like there are three different amendments, one from the sponsor, one from the SBN and one from the NRAA. Is that correct?

SENATOR OHRENSCHALL:

Yes, there are three amendments in the work session document. Senator Pickard brought up some points that he was concerned about, and I have tried to work with him, along with the City of Henderson's concerns. This has satisfied many of the speakers at the hearing. We have been working with the NRAA and will continue to do so. We received their proposed language this morning and I have not had time to get feedback from the SBN. I would ask that the Committee consider the amendments that I proposed and that the SBN proposed.

CHAIR SCHEIBLE:

There was a miscommunication about the status of the NRAA amendment. I am going to instruct the Committee to not consider that amendment today. As Senator Ohrenschall indicated, it does not mean that he is unwilling to work with the NRAA, and maybe an amendment will come to the Floor. For today's purposes, after we answer the other questions, the only amendments I will be considering are the ones requested by Senator Ohrenschall and the SBN.

I will entertain a motion to amend and do pass.

SENATOR SETTELMAYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 95 WITH THE TWO AMENDMENTS BY SENATOR OHRENSCHALL AND THE BUSINESS LAW SECTION OF THE STATE BAR OF NEVADA.

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SENATOR PICKARD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHEIBLE:

That concludes our work session for today. This meeting is adjourned.

RESPECTFULLY SUBMITTED:

Sally Ramm,
Committee Secretary

APPROVED BY:

Senator Melanie Scheible, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A			Agenda
S.B. 7	B	1	Patrick Guinan	Work Session Document
S.B. 19	C	1	Patrick Guinan	Work Session Document
S.B. 31	D	1	Patrick Guinan	Work Session Document
S.B. 72	E	1	Patrick Guinan	Work Session Document
S.B. 95	F	1	Patrick Guinan	Work Session Document