

ASSEMBLY BILL NO. 64—COMMITTEE ON
LEGISLATIVE OPERATIONS AND ELECTIONS

(ON BEHALF OF THE SECRETARY OF STATE)

PREFILED NOVEMBER 16, 2022

Referred to Committee on Legislative Operations and Elections

SUMMARY—Makes changes to civil penalties for certain violations relating to campaign finance reports. (BDR 24-410)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to elections; revising provisions relating to civil penalties for certain violations relating to campaign finance reports; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law provides that a candidate, person, organization, committee, political party or nonprofit corporation that reports its contributions, campaign expenses, independent expenditures or other expenditures after the date the report is due is subject to a civil penalty, which is, for a report filed: (1) not more than 7 days late, \$25 for each day the report is late; (2) more than 7 days, but not more than 15 days late, \$50 for each day the report is late; and (3) more than 15 days late, \$100 for each day the report is late. For a public officer who is not entitled to receive compensation for his or her office or a candidate for such an office, the civil penalty for filing a report after the date the report is due must not exceed \$100 if the public officer or candidate receives no contributions and makes no expenditures during the relevant reporting periods. (NRS 294A.420) This bill expands this limitation on the amount of civil penalty to apply to any public officer or candidate who receives no contributions and makes no expenditures during the relevant reporting periods, regardless of whether the public officer or candidate is entitled to receive compensation for his or her office.



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

Section 1. NRS 294A.420 is hereby amended to read as follows:

294A.420 1. If the Secretary of State receives information that a candidate, person, organization, committee, political party or nonprofit corporation that is subject to the provisions of NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.230, 294A.250, 294A.270, 294A.280 or 294A.286 has not filed a report or form for registration pursuant to the applicable provisions of those sections, the Secretary of State may, after giving notice to that candidate, person, organization, committee, political party or nonprofit corporation, cause the appropriate proceedings to be instituted in the First Judicial District Court.

2. Except as otherwise provided in this section, a candidate, person, organization, committee, political party or nonprofit corporation that violates an applicable provision of this chapter is subject to a civil penalty of not more than \$10,000 for each violation and payment of court costs and attorney's fees. The civil penalty must be recovered in a civil action brought in the name of the State of Nevada by the Secretary of State in the First Judicial District Court and deposited by the Secretary of State for credit to the State General Fund in the bank designated by the State Treasurer.

3. If a civil penalty is imposed because a candidate, person, organization, committee, political party or nonprofit corporation has reported its contributions, campaign expenses, independent expenditures or other expenditures after the date the report is due, except as otherwise provided in this subsection, the amount of the civil penalty is:

(a) If the report is not more than 7 days late, \$25 for each day the report is late.

(b) If the report is more than 7 days late but not more than 15 days late, \$50 for each day the report is late.

(c) If the report is more than 15 days late, \$100 for each day the report is late.

➤ A civil penalty imposed pursuant to this subsection against a public officer ~~{who by law is not entitled to receive compensation for his or her office}~~ or a candidate ~~{for such an office}~~ must not exceed a total of \$100 if the public officer or candidate received no contributions and made no expenditures during the relevant reporting periods.



4. For good cause shown, the Secretary of State may waive a civil penalty that would otherwise be imposed pursuant to this section.

5. When considering whether to waive, pursuant to subsection 4, a civil penalty that would otherwise be imposed pursuant to subsection 3, the Secretary of State may consider, without limitation:

(a) The seriousness of the violation, including, without limitation, the nature, circumstances and extent of the violation;

(b) Any history of violations committed by the candidate, person, organization, committee, political party or nonprofit corporation against whom the civil penalty would otherwise be imposed;

(c) Any mitigating factor, including, without limitation, whether the candidate, person, organization, committee, political party or nonprofit corporation against whom the civil penalty would otherwise be imposed reported the violation, corrected the violation in a timely manner, attempted to correct the violation or cooperated with the Secretary of State in resolving the situation that led to the violation;

(d) Whether the violation was inadvertent;

(e) Any knowledge or experience the candidate, person, organization, committee, political party or nonprofit corporation has with the provisions of this chapter; and

(f) Any other factor that the Secretary of State deems to be relevant.

6. If the Secretary of State waives a civil penalty pursuant to subsection 4, the Secretary of State shall:

(a) Create a record which sets forth that the civil penalty has been waived and describes the circumstances that constitute the good cause shown; and

(b) Ensure that the record created pursuant to paragraph (a) is available for review by the general public.

7. The remedies and penalties provided by this chapter are cumulative, do not abrogate and are in addition to any other remedies and penalties that may exist at law or in equity, including, without limitation, any criminal penalty that may be imposed pursuant to this chapter or NRS 199.120, 199.145 or 239.330.

Sec. 2. This act becomes effective upon passage and approval.

