

ASSEMBLY BILL NO. 121—ASSEMBLYMAN DALY

FEBRUARY 11, 2019

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises certain provisions relating to public officers and candidates for public office. (BDR 17-776)

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

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

AN ACT relating to public office; revising provisions governing the lobbying of State Legislators; revising provisions governing financial disclosure statements filed by candidates and public officers; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 With certain exceptions, the Nevada Lobbying Disclosure Act prohibits a
2 lobbyist from knowingly or willfully giving any gift to a Legislator, a member of
3 his or her immediate family or a member of legislative staff, regardless of the value
4 of the gift. The exceptions to the term “gift” in existing law include: (1) anything of
5 value provided for an educational or informational meeting, event or trip; and (2)
6 the cost of a party, meal, function or other social event to which every Legislator is
7 invited. (NRS 218H.045, 218H.060, 218H.930)

8 **Section 1** of this bill excludes from the definition of “educational or
9 informational meeting, event or trip”: (1) a meeting, event or trip undertaken or
10 attended by a Legislator or a member of the Legislator’s household as part of his
11 or her employment or independent contract if anything of value, such as food,
12 beverages, registration fees, travel or lodging, received by the Legislator or member
13 of the Legislator’s household for the meeting, event or trip was paid for or
14 reimbursed as part of his or her employment or service as an independent
15 contractor; and (2) a party, meal, function or other social event to which every
16 Legislator is invited and where educational or informational displays and materials
17 are available but no formal speech, presentation or other similar action to educate
18 or inform the Legislators occurs. **Section 1** also extends to a member of the
19 Legislator’s household the exception to the definition of “educational or
20 informational meeting, event or trip” in existing law for Legislators for a meeting,
21 event or trip undertaken or attended for personal reasons or, in certain
22 circumstances, for reasons relating to the Legislator’s professional or occupational
23 license. **Section 4** of this bill makes conforming changes with respect to the



24 requirement for a public officer or candidate to report an educational or
25 informational meeting, event or trip on his or her financial disclosure statement.

26 For purposes of the exception from the term "gift" in the Nevada Lobbying
27 Disclosure Act for the cost of a party, meal, function or social event to which every
28 Legislator is invited, **section 2** of this bill creates a presumption that every
29 Legislator was invited if the party, meal, function or other social event is held in a
30 governmental building or facility or the invitation or notice indicates it is a
31 legislative event. **Section 2** also excludes the following from the prohibition against
32 gifts from lobbyists to a Legislator, a member of his or her immediate family or a
33 member of legislative staff: (1) gross income from property held for investment or
34 revenue production, if the property was not acquired by improper means or as a gift
35 from a lobbyist; (2) transactions involving the purchase and sale of goods or
36 services conducted in the regular course of business at prices generally available to
37 the public; (3) payments and benefits received in the context of an employment or
38 independent contractor relationship; and (4) certain payments or deliveries resulting
39 from judgments, arbitrations or settlements.

40 With certain exceptions, existing law defines "lobbyist" as a person who: (1)
41 appears in person in the Legislative Building or any other building in which the
42 Legislature or any of its standing committees hold meetings; and (2) communicates
43 directly with a member of the Legislative Branch on behalf of someone other than
44 himself or herself to influence legislative action regardless of whether any
45 compensation is received for the communication. (NRS 218H.080) **Section 3** of
46 this bill excludes from the definition of "lobbyist" a person who employs or enters
47 into a contract for the services of a lobbyist, unless that person independently meets
48 the definition of a lobbyist.

49 Existing law requires certain appointed and elected public officers and
50 candidates for public office to file financial disclosure statements. (NRS 281.556-
51 281.581) Under existing law, a public officer or candidate is required to disclose on
52 his or her financial disclosure statement certain items of value received from an
53 "interested person," which is defined as a person who has a substantial interest in
54 the legislative, administrative or political action of the public officer or the
55 candidate if elected. (NRS 281.5586, 281.571) **Section 5** of this bill restricts the
56 definition of "interested person" to a person whom the public officer or candidate
57 knew or reasonably should have known has a substantial interest in the legislative,
58 administrative or political action of the public officer or the candidate if elected.

59 Existing law requires that financial disclosure statements contain certain
60 information for the full calendar year immediately preceding the deadline for filing
61 the statements. (NRS 281.559, 281.561) **Sections 6 and 7** of this bill eliminate the
62 requirement for a public officer or candidate to provide such financial information
63 for the full calendar year immediately preceding appointment or candidacy if the
64 public officer or candidate was not a public officer during that calendar year. Such
65 a public officer or candidate is only required to disclose certain financial
66 information for the 30 days immediately preceding his or her appointment or 30
67 days immediately preceding the last day to qualify as a candidate for office, as
68 applicable.



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

1 **Section 1.** NRS 218H.045 is hereby amended to read as
2 follows:

3 218H.045 1. “Educational or informational meeting, event or
4 trip” means any meeting, event or trip undertaken or attended by a
5 Legislator if, in connection with the meeting, event or trip:

6 (a) The Legislator or a member of the Legislator’s household
7 receives anything of value from a lobbyist to undertake or attend the
8 meeting, event or trip; and

9 (b) The Legislator provides or receives any education or
10 information on matters relating to the legislative, administrative or
11 political action of the Legislator.

12 2. The term includes, without limitation, any reception,
13 gathering, conference, convention, discussion, forum, roundtable,
14 seminar, symposium, speaking engagement or other similar
15 meeting, event or trip with an educational or informational
16 component.

17 3. The term does not include ~~the~~:

18 (a) A meeting, event or trip undertaken or attended by a
19 Legislator *or a member of the Legislator’s household* for personal
20 reasons or for reasons relating to any professional or occupational
21 license held by the Legislator ~~the~~ *or a member of the Legislator’s*
22 *household*, unless the Legislator *or a member of the Legislator’s*
23 *household* participates as one of the primary speakers, instructors or
24 presenters at the meeting, event or trip.

25 (b) *A meeting, event or trip undertaken or attended by a*
26 *Legislator or a member of the Legislator’s household if the*
27 *meeting, event or trip is undertaken or attended as part of his or*
28 *her employment or contract as an independent contractor and*
29 *anything of value received by the Legislator or member of the*
30 *Legislator’s household for the meeting, event or trip was paid for*
31 *or reimbursed as part of his or her employment or service as an*
32 *independent contractor.*

33 (c) *A party, meal, function or other social event to which every*
34 *Legislator is invited where educational or informational displays*
35 *or materials are available but no formal speech, presentation or*
36 *other similar action to educate or inform the Legislators occurs.*

37 4. For the purposes of this section, “anything of value”
38 includes, without limitation, any actual expenses for food,
39 beverages, registration fees, travel or lodging provided or given to
40 or paid for the benefit of the Legislator or a member of the
41 Legislator’s household or reimbursement for any such actual
42 expenses paid by the Legislator or a member of the Legislator’s



1 household, if the expenses are incurred on a day during which the
2 Legislator or a member of the Legislator's household undertakes or
3 attends the meeting, event or trip or during which the Legislator or a
4 member of the Legislator's household travels to or from the
5 meeting, event or trip.

6 **Sec. 2.** NRS 218H.060 is hereby amended to read as follows:

7 218H.060 1. "Gift" means any payment, conveyance,
8 transfer, distribution, deposit, advance, loan, forbearance,
9 subscription, pledge or rendering of money, services or anything
10 else of value, unless consideration of equal or greater value is
11 received.

12 2. The term does not include:

13 (a) Any political contribution of money or services related to a
14 political campaign.

15 (b) Any commercially reasonable loan made in the ordinary
16 course of business.

17 (c) Anything of value provided for an educational or
18 informational meeting, event or trip.

19 (d) The cost of a party, meal, function or other social event to
20 which every Legislator is invited, including, without limitation, the
21 cost of food or beverages provided at the party, meal, function or
22 other social event. *For the purposes of this paragraph, there is a
23 presumption that every Legislator was invited if the party, meal,
24 function or other social event is held in a governmental building
25 or facility or the invitation for or notice of the party, meal,
26 function or event indicates that it is a legislative event.*

27 (e) Any ceremonial gifts received for a birthday, wedding,
28 anniversary, holiday or other ceremonial occasion from a donor who
29 is not a lobbyist.

30 (f) Anything of value received from a person who is:

31 (1) Related to the recipient, or to the spouse or domestic
32 partner of the recipient, by blood, adoption, marriage or domestic
33 partnership within the third degree of consanguinity or affinity; or

34 (2) A member of the recipient's household.

35 (g) *Gross income from property held for investment or revenue
36 production, if the property was not acquired by improper means or
37 as a gift from a lobbyist.*

38 (h) *Transactions involving the purchase and sale of goods or
39 services conducted in the regular course of business at prices
40 generally available to the public.*

41 (i) *Payments and benefits received as a result of employment
42 or services as an independent contractor, including, without
43 limitation, payments and benefits made pursuant to a policy,
44 custom or practice with respect to employment or contract which*



1 *the employer adopted without regard to the position of the*
2 *employee or independent contractor as a Legislator.*

3 *(j) The payment or delivery of anything of value in satisfaction*
4 *of a judgment of any court or a decision or award of an arbitrator*
5 *or a compromise, adjustment, settlement, release or other*
6 *disposition of any claim, complaint or grievance.*

7 **Sec. 3.** NRS 218H.080 is hereby amended to read as follows:

8 218H.080 1. "Lobbyist" means, except as limited by
9 subsection 2, a person who:

10 (a) Appears in person in the Legislative Building or any other
11 building in which the Legislature or any of its standing committees
12 hold meetings; and

13 (b) Communicates directly with a member of the Legislative
14 Branch on behalf of someone other than himself or herself to
15 influence legislative action, whether or not any compensation is
16 received for the communication.

17 2. "Lobbyist" does not include:

18 (a) Persons who confine their activities to formal appearances
19 before legislative committees and who clearly identify themselves
20 and the interest or interests for whom they are testifying.

21 (b) Employees of a bona fide news medium who meet the
22 definition of "lobbyist" *set forth in subsection 1* only in the course
23 of their professional duties and who contact Legislators for the sole
24 purpose of carrying out their news gathering function.

25 (c) Employees of departments, divisions or agencies of the state
26 government who appear before legislative committees only to
27 explain the effect of legislation related to their departments,
28 divisions or agencies.

29 (d) Employees of the Legislature, Legislators, legislative
30 agencies or legislative commissions.

31 (e) Elected officers of this State and its political subdivisions
32 who confine their lobbying activities to issues directly related to the
33 scope of the office to which they were elected.

34 (f) Persons who contact the Legislators who are elected from the
35 district in which they reside.

36 *(g) Persons who employ or enter into a contract for the*
37 *services of a lobbyist, unless those persons independently meet the*
38 *definition of "lobbyist" set forth in subsection 1.*

39 **Sec. 4.** NRS 281.5583 is hereby amended to read as follows:

40 281.5583 1. "Educational or informational meeting, event or
41 trip" means any meeting, event or trip undertaken or attended by a
42 public officer or candidate if, in connection with the meeting, event
43 or trip:



1 (a) The public officer or candidate or a member of the public
2 officer's or candidate's household receives anything of value to
3 undertake or attend the meeting, event or trip from an interested
4 person; and

5 (b) The public officer or candidate provides or receives any
6 education or information on matters relating to the legislative,
7 administrative or political action of the public officer or the
8 candidate if elected.

9 2. The term includes, without limitation, any reception,
10 gathering, conference, convention, discussion, forum, roundtable,
11 seminar, symposium, speaking engagement or other similar
12 meeting, event or trip with an educational or informational
13 component.

14 3. The term does not include ~~the~~:

15 (a) A meeting, event or trip undertaken or attended by a public
16 officer or candidate for personal reasons or for reasons relating to
17 any professional or occupational license held by the public officer or
18 candidate ~~the~~ *or a member of the public officer's or candidate's*
19 *household*, unless the public officer or candidate *or a member of*
20 *the public officer's or candidate's household* participates as one of
21 the primary speakers, instructors or presenters at the meeting, event
22 or trip.

23 (b) *A meeting, event or trip undertaken or attended by a public*
24 *officer or candidate or a member of the public officer's or*
25 *candidate's household if the meeting, event or trip is undertaken*
26 *or attended as part of his or her employment or contract as an*
27 *independent contractor and anything of value received by the*
28 *public officer or candidate or member of the public officer's or*
29 *candidate's household for the meeting, event or trip was paid for*
30 *or reimbursed as part of his or her employment or service as an*
31 *independent contractor.*

32 4. For the purposes of this section, "anything of value"
33 includes, without limitation, any actual expenses for food,
34 beverages, registration fees, travel or lodging provided or given to
35 or paid for the benefit of the public officer or candidate or a member
36 of the public officer's or candidate's household or reimbursement
37 for any such actual expenses paid by the public officer or candidate
38 or a member of the public officer's or candidate's household, if the
39 expenses are incurred on a day during which the public officer or
40 candidate or a member of the public officer's or candidate's
41 household undertakes or attends the meeting, event or trip or during
42 which the public officer or candidate or a member of the public
43 officer's or candidate's household travels to or from the meeting,
44 event or trip.



1 **Sec. 5.** NRS 281.5586 is hereby amended to read as follows:
2 281.5586 1. “Interested person” means a person who has a
3 substantial interest in the legislative, administrative or political
4 action of a public officer or a candidate if elected ~~{}~~ *and the public*
5 *officer or candidate knew or, based on all the facts and*
6 *circumstances, reasonably should have known that the person has*
7 *such a substantial interest.*

8 2. The term includes, without limitation:
9 (a) A lobbyist as defined in NRS 218H.080.
10 (b) A group of interested persons acting in concert, whether or
11 not formally organized.

12 **Sec. 6.** NRS 281.559 is hereby amended to read as follows:
13 281.559 1. Except as otherwise provided in this section and
14 NRS 281.572, if a public officer who was appointed to the office for
15 which the public officer is serving is entitled to receive annual
16 compensation of \$6,000 or more for serving in that office or if the
17 public officer was appointed to the office of Legislator, the public
18 officer shall file electronically with the Secretary of State a financial
19 disclosure statement, as follows:

20 (a) A public officer appointed to fill the unexpired term of an
21 elected or appointed public officer shall file a financial disclosure
22 statement within 30 days after the public officer’s appointment.

23 (b) Each public officer appointed to fill an office shall file a
24 financial disclosure statement on or before January 15 of:

25 (1) Each year of the term, including the year in which the
26 public officer leaves office; and

27 (2) The year immediately following the year in which the
28 public officer leaves office, unless the public officer leaves office
29 before January 15 in the prior year.

30 ~~{→The}~~

31 2. *Except as otherwise provided in this subsection, the*
32 *statement must disclose the required information for the full*
33 *calendar year immediately preceding the date of filing. The*
34 *statement of a public officer who is required to file a statement*
35 *pursuant to paragraph (a) of subsection 1 must disclose only the*
36 *information required by subsections 5 and 6 of NRS 281.571 for*
37 *the 30 days immediately preceding the date of the public officer’s*
38 *appointment if the public officer was not serving in a public office*
39 *for which the public officer was required to file a financial*
40 *disclosure statement pursuant to paragraph (b) of subsection 1 or*
41 *subsection 1 of NRS 281.561 during the calendar year in which*
42 *the public officer was appointed.*

43 ~~{2}~~ 3. If a person is serving in a public office for which the
44 person is required to file a statement pursuant to subsection 1, the
45 person may use the statement the person files for that initial office to



1 satisfy the requirements of subsection 1 for every other public office
2 to which the person is appointed and in which the person is also
3 serving.

4 ~~{3.}~~ 4. A judicial officer who is appointed to fill the unexpired
5 term of a predecessor or to fill a newly created judgeship shall file a
6 financial disclosure statement pursuant to the requirements of the
7 Nevada Code of Judicial Conduct. To the extent practicable, such a
8 statement must include, without limitation, all information required
9 to be included in a financial disclosure statement pursuant to
10 NRS 281.571.

11 **Sec. 7.** NRS 281.561 is hereby amended to read as follows:

12 281.561 1. Except as otherwise provided in this section and
13 NRS 281.572, each candidate who will be entitled to receive annual
14 compensation of \$6,000 or more for serving in the office that the
15 candidate is seeking, each candidate for the office of Legislator and
16 each public officer who was elected to the office for which the
17 public officer is serving shall file electronically with the Secretary
18 of State a financial disclosure statement, as follows:

19 (a) A candidate for nomination, election or reelection to public
20 office shall file a financial disclosure statement not later than the
21 10th day after the last day to qualify as a candidate for the office.
22 ~~{The}~~ *Except as otherwise provided in subsection 2, the* statement
23 must disclose the ~~{required}~~ information *required by subsections 5*
24 *and 6 of NRS 281.571* for the ~~{full-calendar-year-immediately~~
25 ~~preceding the date of filing and for the period between January 1 of~~
26 ~~the year in which the election for the office will be held and}~~ *30*
27 *days immediately preceding* the last day to qualify as a candidate
28 for the office. The filing of a financial disclosure statement for a
29 portion of a calendar year pursuant to this paragraph does not relieve
30 the candidate of the requirement of filing a financial disclosure
31 statement for the full calendar year pursuant to paragraph (b) in the
32 immediately succeeding year, if the candidate is elected to the
33 office.

34 (b) Each public officer shall file a financial disclosure statement
35 on or before January 15 of:

36 (1) Each year of the term, including the year in which the
37 public officer leaves office; and

38 (2) The year immediately following the year in which the
39 public officer leaves office, unless the public officer leaves office
40 before January 15 in the prior year.

41 ➔ The statement must disclose the required information for the full
42 calendar year immediately preceding the date of filing.

43 2. ~~{Except as otherwise provided in this subsection, if}~~ *If* a
44 candidate is serving in a public office for which the candidate is
45 required to file a statement pursuant to paragraph (b) of subsection 1



1 or subsection 1 of NRS 281.559, the ~~candidate need not file the~~
2 ~~statement required by subsection 1 for the full calendar year for~~
3 ~~which the candidate previously filed a statement. The~~ provisions of
4 ~~this~~ subsection 1 do not relieve the candidate of the requirement
5 pursuant to paragraph ~~(a)~~ (b) of subsection 1 *or subsection 1 of*
6 *NRS 281.559* to file a financial disclosure statement for the ~~period~~
7 ~~between January 1 of the year in which the election for the office~~
8 ~~will be held and the last day to qualify as a candidate for the office.]~~
9 *full calendar year immediately preceding the date of filing.*

10 3. A person elected pursuant to NRS 548.285 to the office of
11 supervisor of a conservation district is not required to file a financial
12 disclosure statement relative to that office pursuant to subsection 1.

13 4. A candidate for judicial office or a judicial officer shall file a
14 financial disclosure statement pursuant to the requirements of the
15 Nevada Code of Judicial Conduct. To the extent practicable, such a
16 statement must include, without limitation, all information required
17 to be included in a financial disclosure statement pursuant to
18 NRS 281.571.

19 **Sec. 8.** This act becomes effective upon passage and approval.



