SENATE BILL NO. 307–SENATOR ROBERSON

MARCH 16, 2015

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises provisions relating to public officers and candidates for public office. (BDR 17-768)

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

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 relating to the lobbying of State Legislators; revising provisions regulating gifts to public officers and candidates for public office; revising provisions governing financial disclosure statements filed by such public officers and candidates; providing penalties; and providing other matters properly relating thereto.

## Legislative Counsel's Digest:

Existing law in the Nevada Lobbying Disclosure Act (Lobbying Act) prohibits biobbyists from giving State Legislators or members of their immediate family or staff any gifts that exceed \$100 in value in the aggregate in any calendar year and prohibits those persons from soliciting or accepting any such gifts. (NRS 218H.930) In defining the term "gift," the Lobbying Act excludes the cost of entertainment, including the cost of food or beverages, so there is no limit on the amount of entertainment expenditures lobbyists may make for State Legislators or members of their immediate family or staff. (NRS 218H.060) If a lobbyist makes such expenditures, the lobbyist must disclose the expenditures by filing a report with the Director of the Legislative Counsel Bureau. (NRS 218H.400)

In addition to the disclosures required by the Lobbying Act, existing law, commonly referred to as the Financial Disclosure Act, requires State Legislators and other state and local public officers and candidates to disclose and report gifts received in excess of an aggregate value of \$200 from a donor during a calendar year on financial disclosure statements filed with the Secretary of State. (NRS 281.558-281.581) Unlike the Lobbying Act, the Financial Disclosure Act does not define the term "gift," but it excludes certain types of gifts from the reporting requirements. (NRS 281.571)

19 In 2007, when the Commission on Ethics had the statutory authority to interpret 20 the Financial Disclosure Act, it determined that the law did not require a public 21 officer from a jurisdiction near the proposed Yucca Mountain nuclear waste project 22 to report on his financial disclosure statement that a nuclear fuel reprocessing





23 24 25 company working as a contractor on the project paid for certain travel, lodging and meal expenses for the public officer and his spouse to undertake an educational or informational trip to France to learn more about nuclear fuel reprocessing and 26 27 28 29 30 nuclear emergency preparedness by touring reprocessing facilities operated by the company and meeting with French stakeholders, local leaders and emergency responders. The Commission found that the Legislature had not established what constitutes a gift for the purposes of existing law and that "[n]o evidence exists that the act of accepting an invitation from [the company], to visit its nuclear 31 32 33 reprocessing facilities in France and traveling to Europe for that purpose, constitutes a gift." (In re Phillips, CEO 06-23 (June 15, 2007))

By contrast, in the 2014 Financial Disclosure Statement Guide produced by the 34 35 Office of the Secretary of State, the Guide includes as an example of a reportable gift "[t]ravel, lodging, food or registration expenses as part of a 'fact-finding' trip, 36 37 38 which is part of the official or unofficial duties of a public officer, unless the expenses are paid by the candidate, [the] public officer, or the governmental agency that employs the public officer." (Nev. Sec'y of State, Financial Disclosure 39 Statement Guide, p. 5 (2014)) However, because this example in the Guide was not 40 promulgated by the Office of the Secretary of State in a regulation adopted under 41 the Nevada Administrative Procedure Act, it does not have the force and effect of 42 law. (NRS 233B.040: State Farm Mut. Auto. Ins. v. Comm'r of Ins., 114 Nev, 535. 43 543-44 (1998); Labor Comm'r v. Littlefield, 123 Nev. 35, 39-43 (2007))

44 Sections 9 and 19 of this bill revise the Lobbying Act and the Financial Disclosure Act to establish a definition for the term "gift" that is similar for both 45 46 acts. Sections 4 and 17 of this bill also establish a definition for the term 47 "educational or informational meeting, event or trip" that is similar for both acts. 48 Under this bill, a gift does not include an educational or informational meeting, 49 event or trip, but this bill requires the disclosure of such educational or 50 informational meetings, events or trips. Specifically, under sections 4, 8 and 11 of 51 52 53 54 55 56 57 58 59 this bill, lobbyists are required to disclose any expenditures made for educational or informational meetings, events or trips provided to State Legislators, and under sections 17, 20 and 27 of this bill, public officers and candidates are required to disclose on their financial disclosure statements any educational or informational meetings, events or trips provided by interested persons having a substantial interest in the legislative, administrative or political action of the public officer or the candidate if elected.

Sections 9 and 12 of this bill prohibit lobbyists from knowingly or willfully giving gifts in any amount to State Legislators or members of their immediate 60 family or staff, whether or not the Legislature is in a regular or special session. 61 Those sections also prohibit State Legislators or members of their immediate family 62 or staff from knowingly or willfully soliciting or accepting gifts in any amount 63 from lobbyists, whether or not the Legislature is in a regular or special session.

64 Sections 2, 3, 15, 16, 18 and 21-33 of this bill revise the Lobbying Act and the 65 Financial Disclosure Act to update and modernize the statutory language, remove 66 redundant provisions and promote consistency between the acts.

67 Finally, section 41 of this bill provides that the provisions of this bill apply to 68 public officers and candidates beginning on January 1, 2016. However, section 40 69 of this bill states that the provisions of this bill do not apply to a financial disclosure 70 statement that is filed by a public officer or candidate to report information for any 71 72 73 74 75 76 77 period that ends before January 1, 2016. As a result, although most public officers will be required to file a financial disclosure statement on or before January 15, 2016, which must disclose information for the 2015 calendar year, the provisions of this bill will not apply to the information that must be disclosed for the 2015 calendar year. (NRS 281.559, 281.561)

By contrast, most candidates for a public office in 2016 will be required to file a financial disclosure statement, not later than the 10th day after the last day to





qualify as a candidate for the office, which must disclose information for: (1) the 2015 calendar year; and (2) the period between January 1, 2016, and the last day to qualify as a candidate for the office. (NRS 281.561) For these candidates, the provisions of this bill will not apply to the information that must be disclosed for the 2015 calendar year but will apply to the information that must be disclosed for the period between January 1, 2016, and the last day to qualify as a candidate for the office.

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

1 Section 1. Chapter 218H of NRS is hereby amended by 2 adding thereto the provisions set forth as sections 2 to 6, inclusive, 3 of this act.

4 Sec. 2. "Domestic partner" means a person in a domestic 5 partnership.

Sec. 3. "Domestic partnership" means:

1. A domestic partnership as defined in NRS 122A.040; or

8 2. A domestic partnership which was validly formed in 9 another jurisdiction and which is substantially equivalent to a 10 domestic partnership as defined in NRS 122A.040, regardless of 11 whether it bears the name of a domestic partnership or is 12 registered in this State.

Sec. 4. 1. "Educational or informational meeting, event or
 trip" means any meeting, event or trip undertaken or attended by a
 Legislator if, in connection with the meeting, event or trip:

16 (a) The Legislator or a member of the Legislator's household 17 receives anything of value from a lobbyist to undertake or attend 18 the meeting, event or trip; and

19 (b) The Legislator provides or receives any education or 20 information on matters relating to the legislative, administrative or 21 political action of the Legislator.

22 2. The term includes, without limitation, any reception, 23 gathering, conference, convention, discussion, forum, roundtable, 24 seminar, symposium, speaking engagement or other similar 25 meeting, event or trip with an educational or informational 26 component.

3. The term does not include a meeting, event or trip
undertaken or attended by a Legislator for personal reasons or for
reasons relating to any professional or occupational license held
by the Legislator, unless the Legislator participates as one of the
primary speakers, instructors or presenters at the meeting, event
or trip.

33 4. For the purposes of this section, "anything of value" 34 includes, without limitation, any actual expenses for food,



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1 beverages, registration fees, travel or lodging provided or given to 2 or paid for the benefit of the Legislator or a member of the 3 Legislator's household or reimbursement for any such actual 4 expenses paid by the Legislator or a member of the Legislator's household, if the expenses are incurred on a day during which the 5 6 Legislator or a member of the Legislator's household undertakes 7 or attends the meeting, event or trip or during which the Legislator or a member of the Legislator's household travels to or from the 8 9 meeting, event or trip. 10 Sec. 5. "Member of the Legislator's household" means a person who is a member of the Legislator's household for the 11 purposes of NRS 281.558 to 281.581, inclusive, and sections 14 to 12 13 23, inclusive, of this act. Sec. 6. "Registrant" means a person who is registered as a 14 15 lobbyist pursuant to this chapter. 16 **Sec.** 7. NRS 218H.030 is hereby amended to read as follows: 17 218H.030 As used in this chapter, unless the context otherwise 18 requires, the words and terms defined in NRS 218H.050 to 218H.100, inclusive, and sections 2 to 6, inclusive, of this act have 19 20 the meanings ascribed to them in those sections. 21 **Sec. 8.** NRS 218H.050 is hereby amended to read as follows: 22 218H.050 *1*. "Expenditure" means fadvance. any 23 conveyance, deposit, distribution, transfer of funds, loan, payment, 24 pledge or subscription of the following acts by a lobbyist while the 25 Legislature is in a regular or special session: (a) Any payment, conveyance, transfer, distribution, deposit, 26 27 advance, loan, forbearance, subscription, pledge or rendering of money, services or anything else of value [, including cost of 28 29 entertainment, except the payment of a membership fee otherwise exempted pursuant to NRS 218H.400, and anyl; or 30 31 (b) Any contract, agreement, promise or other obligation, 32 whether or not legally enforceable, to make any *such* expenditure. [while the Legislature is in a regular or special session.] 33 34 2. The term includes, without limitation: (a) Anything of value provided for an educational or 35 36 informational meeting, event or trip. 37 (b) The cost of a party, meal, function or other social event to 38 which every Legislator is invited. 39 3. The term does not include: 40 (a) A prohibited gift. 41 (b) A lobbyist's personal expenditures for his or her own food, 42 beverages, lodging, travel expenses or membership fees or dues. 43 **Sec. 9.** NRS 218H.060 is hereby amended to read as follows: 44 218H.060 1. "Gift" means fa payment, subscription, 45 advance, any payment, conveyance, transfer, distribution, deposit,





advance, loan, forbearance, subscription, pledge or rendering for 1 deposit of money, services or anything else of value, unless 2 3 consideration of equal or greater value is received. 4 2. ["Gift"] *The term* does not include: 5 (a) [A] Any political contribution of money or services related to 6 a political campaign. 7 <u>(b) A</u> 8 (b) Any commercially reasonable loan made in the ordinary course of business . [;] 9 (c) Anything of value provided for an educational or 10 informational meeting, event or trip. 11 (d) The cost of <u>[entertainment,]</u> a party, meal, function or other 12 13 social event to which every Legislator is invited, including, without 14 *limitation*, the cost of food or beverages [; or (d) provided at the party, meal, function or other social event. 15 (e) Any ceremonial gifts received for a birthday, wedding, 16 anniversary, holiday or other ceremonial occasion from a donor 17 18 who is not a lobbyist. (f) Anything of value received from [: 19 (1) A member of the recipient's immediate family; or 20 (2) A relative of a person who is: 21 22 (1) **Related to the recipient**, or **[relative of the recipient's]** to the spouse or domestic partner of the recipient, by blood, adoption, 23 marriage or domestic partnership within the third degree of 24 25 consanguinity or [from the spouse of any such relative.] affinity; or 26 (2) A member of the recipient's household. 27 **Sec. 10.** NRS 218H.210 is hereby amended to read as follows: 218H.210 The registration statement of a lobbyist must contain 28 29 the following information: The registrant's full name, permanent address, place of 30 1. 31 business and temporary address while lobbying. 32 2. The full name and complete address of each person, if any, 33 by whom the registrant is retained or employed or on whose behalf 34 the registrant appears. 35 3. A listing of any direct business associations or partnerships involving any current Legislator and the registrant or any person by 36 whom the registrant is retained or employed. The listing must 37 include any such association or partnership constituting a source of 38 income or involving a debt or interest in real estate required to be 39 40 disclosed in a **[statement of]** financial disclosure **statement** made by 41 a [candidate for public office or a] public officer or candidate pursuant to NRS 281.571. 42 The name of any current Legislator for whom: 43 4. 44 (a) The registrant; or 45 (b) Any person by whom the registrant is retained or employed,





has, in connection with a political campaign of the Legislator,
 provided consulting, advertising or other professional services since
 the beginning of the preceding regular session.

4 5. A description of the principal areas of interest on which the 5 registrant expects to lobby.

6 6. If the registrant lobbies or purports to lobby on behalf of 7 members, a statement of the number of members.

8 7. A declaration under penalty of perjury that none of the 9 registrant's compensation or reimbursement is contingent, in whole 10 or in part, upon the production of any legislative action.

11 12 **Sec. 11.** NRS 218H.400 is hereby amended to read as follows: 218H.400 1. Each registrant shall file with the Director:

(a) Within 30 days after the close of a regular or special session,
 a final report signed under penalty of perjury concerning the

15 registrant's lobbying activities; and

16 (b) Between the 1st and 10th day of the month after each month 17 that the Legislature is in a regular or special session, a report 18 concerning the registrant's lobbying activities during the previous 19 month, whether or not any expenditures were made.

20 21 2. Each report must:

(a) Be on a form prescribed by the Director; and

(b) Include the total of all expenditures, if any, made by the registrant on behalf of a Legislator or an organization whose primary purpose is to provide support for Legislators of a particular political party and House, including expenditures made by others on behalf of the registrant if the expenditures were made with the registrant's express or implied consent or were ratified by the registrant.

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3. Except as otherwise provided in subsection 6, the report:

(a) Must identify each Legislator and each organization whose
 primary purpose is to provide support for Legislators of a particular
 political party and House on whose behalf expenditures were made;

(b) Must be itemized with respect to each such Legislator and
 organization; and

(c) Does not have to include any expenditure made on behalf of
a person other than a Legislator or an organization whose primary
purpose is to provide support for Legislators of a particular political
party and House, unless the expenditure is made for the benefit of a
Legislator or such an organization.

40 4. If expenditures made by or on behalf of a registrant during 41 the previous month exceed \$50, the report must include a 42 compilation of expenditures, itemized in the manner required by the 43 regulations of the Legislative Commission . [, in the following 44 categories:

45 <u>(a) Entertainment;</u>





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1 (b) Expenditures made in connection with a party or similar 2 event hosted by the organization represented by the registrant;

- (c) Gifts and loans, including money, services and anything of 3

- 4 value provided to a Legislator, to an organization whose primary 5 purpose is to provide support for Legislators of a particular political
- party and House, or to any other person for the benefit of a 6

7 Legislator or such an organization; and

8 (d) Other expenditures directly associated with legislative action, not including personal expenditures for food, lodging and 9 10 travel expenses or membership dues.

11 5. The Legislative Commission may authorize an audit or 12 investigation by the Legislative Auditor that is proper and necessary 13 to verify compliance with the provisions of this section. If the 14 Legislative Commission authorizes such an audit or investigation:

15 (a) A lobbyist shall make available to the Legislative Auditor all 16 books, accounts, claims, reports, vouchers and other records requested by the Legislative Auditor in connection with any such 17 18 audit or investigation.

19 (b) The Legislative Auditor shall confine requests for such records to those which specifically relate to the lobbyist's 20 21 compliance with the reporting requirements of this section.

22 A report filed pursuant to this section must not itemize with 6. 23 respect to each Legislator an expenditure if the expenditure is the 24 cost of a *party, meal*, function *or other social event* to which every 25 Legislator was invited. For the purposes of this subsection, 26 "function" means a party, meal or other social event.] 27

**Sec. 12.** NRS 218H.930 is hereby amended to read as follows:

28 218H.930 1. A lobbyist shall not knowingly or willfully 29 make any false statement or misrepresentation of facts:

30 (a) To any member of the Legislative Branch in an effort to 31 persuade or influence the member in his or her official actions.

32 (b) In a registration statement or report concerning lobbying 33 activities filed with the Director.

34 A lobbyist shall not *knowingly or willfully* give *any gift* to a 2. 35 member of the Legislative Branch or a member of his or her staff or] immediate family [gifts that exceed \$100 in value in the 36 37 aggregate in any calendar year.], whether or not the Legislature is 38 in a regular or special session.

39 A member of the Legislative Branch or a member of his or 3. 40 her **[staff or]** immediate family shall not *knowingly or willfully* 41 solicit fanything of value from a registrant or accept any gift that exceeds \$100 in aggregate value in any calendar year.] from a 42 lobbyist, whether or not the Legislature is in a regular or special 43 44 session.





1 A person who employs or uses a lobbyist shall not make that 4. 2 lobbyist's compensation or reimbursement contingent in any manner 3 upon the outcome of any legislative action.

Except during the period permitted by NRS 218H.200, a 4 5. person shall not knowingly act as a lobbyist without being registered 5 6 as required by that section.

7 Except as otherwise provided in subsection 7, a member of 6. 8 the Legislative or Executive Branch of the State Government and an 9 elected officer or employee of a political subdivision shall not receive compensation or reimbursement other than from the State or 10 11 the political subdivision for personally engaging in lobbying.

12 An elected officer or employee of a political subdivision 7. 13 may receive compensation or reimbursement from any organization 14 whose membership consists of elected or appointed public officers.

15 8. A lobbyist shall not instigate the introduction of any 16 legislation for the purpose of obtaining employment to lobby in 17 opposition to that legislation.

18 9. A lobbyist shall not make, commit to make or offer to make 19 a monetary contribution to a Legislator, the Lieutenant Governor, 20 the Lieutenant Governor-elect, the Governor or the Governor-elect 21 during the period beginning:

(a) Thirty days before a regular session and ending 30 days after 22 23 the final adjournment of a regular session;

24 (b) Fifteen days before a special session is set to commence and 25 ending 15 days after the final adjournment of a special session, if:

26 (1) The Governor sets a specific date for the commencement 27 of the special session that is more than 15 days after the date on 28 which the Governor issues the proclamation calling for the special 29 session pursuant to Section 9 of Article 5 of the Nevada 30 Constitution; or

31 (2) The members of the Legislature set a date on or before 32 which the Legislature is to convene the special session that is more 33 than 15 days after the date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, 34 35 by the required number of members calling for the special session 36 pursuant to Section 2A of Article 4 of the Nevada Constitution; or 37

(c) The day after:

(1) The date on which the Governor issues the proclamation 38 calling for the special session and ending 15 days after the final 39 adjournment of the special session if the Governor sets a specific 40 41 date for the commencement of the special session that is 15 or fewer days after the date on which the Governor issues the proclamation 42 43 calling for the special session; or

44 (2) The date on which the Secretary of State receives one or 45 more substantially similar petitions signed, in the aggregate, by the



required number of members of the Legislature calling for the 1 special session and ending 15 days after the final adjournment of 2 the special session if the members set a date on or before which the 3 4 Legislature is to convene the special session that is 15 or fewer days 5 after the date on which the Secretary of State receives the petitions.

6 Sec. 13. Chapter 281 of NRS is hereby amended by adding 7 thereto the provisions set forth as sections 14 to 23, inclusive, of this 8 act

9 Sec. 14. As used in NRS 281.558 to 281.581, inclusive, and sections 14 to 23, inclusive, of this act, unless the context 10 otherwise requires, the words and terms defined in NRS 281.558 11 and sections 15 to 21, inclusive, of this act have the meanings 12 13 ascribed to them in those sections.

14 Sec. 15. "Domestic partner" means a person in a domestic 15 partnership.

16 17 Sec. 16.

"Domestic partnership" means: 1. A domestic partnership as defined in NRS 122A.040; or

2. A domestic partnership which was validly formed in another jurisdiction and which is substantially equivalent to a 18 19 domestic partnership as defined in NRS 122A.040, regardless of 20 whether it bears the name of a domestic partnership or is 21 22 registered in this State.

23 Sec. 17. 1. "Educational or informational meeting, event or trip" means any meeting, event or trip undertaken or attended by a 24 public officer or candidate if, in connection with the meeting, 25 26 event or trip:

27 (a) The public officer or candidate or a member of the public officer's or candidate's household receives anything of value to 28 29 undertake or attend the meeting, event or trip from an interested 30 person; and

31 (b) The public officer or candidate provides or receives any 32 education or information on matters relating to the legislative, administrative or political action of the public officer or the 33 34 candidate if elected.

35 2. The term includes, without limitation, any reception, gathering, conference, convention, discussion, forum, roundtable, 36 seminar, symposium, speaking engagement or other similar 37 38 meeting, event or trip with an educational or informational 39 component.

40 3. The term does not include a meeting, event or trip undertaken or attended by a public officer or candidate for 41 personal reasons or for reasons relating to any professional or 42 occupational license held by the public officer or candidate, unless 43 44 the public officer or candidate participates as one of the primary 45 speakers, instructors or presenters at the meeting, event or trip.





4. For the purposes of this section, "anything of value" 1 2 includes, without limitation, any actual expenses for food, beverages, registration fees, travel or lodging provided or given to 3 or paid for the benefit of the public officer or candidate or a 4 member of the public officer's or candidate's household or 5 6 reimbursement for any such actual expenses paid by the public officer or candidate or a member of the public officer's or 7 candidate's household, if the expenses are incurred on a day 8 during which the public officer or candidate or a member of the 9 10 public officer's or candidate's household undertakes or attends the meeting, event or trip or during which the public officer or 11 candidate or a member of the public officer's or candidate's 12 13 household travels to or from the meeting, event or trip.

Sec. 18. "Financial disclosure statement" or "statement" 14 15 means a financial disclosure statement in the electronic form or 16 other authorized form prescribed by the Secretary of State pursuant to NRS 281.558 to 281.581, inclusive, and sections 14 to 17 18 23, inclusive, of this act or in the form approved by the Secretary of State for a specialized or local ethics committee pursuant to 19 NRS 281A.350. 20

21 Sec. 19. 1. "Gift" means any payment, conveyance, 22 transfer, distribution, deposit, advance, loan, forbearance, subscription, pledge or rendering of money, services or anything 23 else of value, unless consideration of equal or greater value is 24 25 received. 26

2. The term does not include:

27 (a) Any political contribution of money or services related to a 28 political campaign.

29 (b) Any commercially reasonable loan made in the ordinary 30 course of business.

31 (c) Anything of value provided for an educational or 32 informational meeting, event or trip.

(d) Anything of value excluded from the term "gift" as defined 33 34 in NRS 218H.060.

(e) Any ceremonial gifts received for a birthday, wedding, 35 anniversary, holiday or other ceremonial occasion from a donor 36 who is not an interested person. 37

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

39 (1) Related to the public officer or candidate, or to the spouse or domestic partner of the public officer or candidate, by 40 blood, adoption, marriage or domestic partnership within the third 41 42 degree of consanguinity or affinity; or

43 (2) A member of the public officer's or candidate's 44 household.





"Interested person" means a person who has a 1 Sec. 20. 1. substantial interest in the legislative, administrative or political 2 action of a public officer or a candidate if elected. 3 The term includes, without limitation: 4 2. (a) A lobbyist as defined in NRS 218H.080. 5 (b) A group of interested persons acting in concert, whether or 6 not formally organized. 7 Sec. 21. I. "Member of the public officer's or candidate's 8 9 household" means: (a) The spouse or domestic partner of the public officer or 10 11 candidate: (b) A relative who lives in the same home or dwelling as the 12 13 public officer or candidate; or 14 (c) A person, whether or not a relative, who: 15 (1) Lives in the same home or dwelling as the public officer 16 or candidate and who is dependent on and receiving substantial support from the public officer or candidate; 17 (2) Does not live in the same home or dwelling as the public 18 officer or candidate but who is dependent on and receiving 19 substantial support from the public officer or candidate; or 20 (3) Lived in the same home or dwelling as the public officer 21 or candidate for 6 months or more during the immediately 22 preceding calendar year or other period for which the public 23 officer or candidate is filing the financial disclosure statement and 24 25 who was dependent on and receiving substantial support from the public officer or candidate during that period. 26 27 2. For the purposes of this section, "relative" means a person who is related to the public officer or candidate, or to the spouse 28 29 or domestic partner of the public officer or candidate, by blood, adoption, marriage or domestic partnership within the third 30 31 degree of consanguinity or affinity. Sec. 22. 1. Except as otherwise provided in NRS 281.572, 32 the Secretary of State shall provide access through a secure 33 Internet website for the purpose of filing financial disclosure 34 statements to each public officer or candidate who is required to 35 file electronically with the Secretary of State a financial disclosure 36 statement pursuant to NRS 281.558 to 281.581, inclusive, and 37 38 sections 14 to 23, inclusive, of this act. 39 2. A financial disclosure statement that is filed electronically with the Secretary of State shall be deemed to be filed on the date 40 that it is filed electronically if it is filed not later than 11:59 p.m. 41 42 on that date. 43 Sec. 23. The Secretary of State may adopt regulations necessary to carry out the provisions of NRS 281.558 to 281.581, 44 45 inclusive, and sections 14 to 23, inclusive, of this act.





**Sec. 24.** NRS 281.558 is hereby amended to read as follows:

2 281.558 [As used in NRS 281.558 to 281.581, inclusive, 3 "candidate"]

4 "Candidate" means any person +: 1.

5 **1.1** who seeks to be elected to a public office and: 6

(a) Who files a declaration of candidacy;

(b) Who files an acceptance of candidacy; or

[3.] (c) Whose name appears on an official ballot at any 8 9 election.

10 The term does not include a candidate for judicial office *2*. 11 who is subject to the requirements of the Nevada Code of Judicial 12 Conduct.

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**Sec. 25.** NRS 281.559 is hereby amended to read as follows:

14 281.559 1. Except as otherwise provided in subsections 2 15 and 31 this section and NRS 281.572, if a public officer who was 16 appointed to the office for which the public officer is serving is entitled to receive annual compensation of \$6,000 or more for 17 18 serving in that office or if the public officer was appointed to the 19 office of Legislator, the public officer shall file electronically with the Secretary of State a [statement of] financial disclosure [,] 20 21 *statement*, as follows:

22 (a) A public officer appointed to fill the unexpired term of an elected or appointed public officer shall file a [statement of] 23 financial disclosure *statement* within 30 days after the public 24 25 officer's appointment.

(b) Each public officer appointed to fill an office shall 26 27 file a [statement of] financial disclosure statement on or before 28 January 15 of:

29 (1) Each year of the term, including the year in which the 30 public officer leaves office; and

31 (2) The year immediately following the year in which the 32 public officer leaves office, unless the public officer leaves office 33 before January 15 in the prior year.

The statement must disclose the required information for the full 34 calendar year immediately preceding the date of filing. 35

36 2. If a person is serving in a public office for which the person 37 is required to file a statement pursuant to subsection 1, the person may use the statement the person files for that initial office to satisfy 38 39 the requirements of subsection 1 for every other public office to 40 which the person is appointed and in which the person is also 41 serving.

3. A judicial officer who is appointed to fill the unexpired term 42 of a predecessor or to fill a newly created judgeship shall file a 43 44 **statement** of financial disclosure statement pursuant to the 45 requirements [of Canon 4]] of the Nevada Code of Judicial Conduct.





[Such] To the extent practicable, such a statement [of financial disclosure] must include, without limitation, all information required to be included in a [statement of] financial disclosure statement
pursuant to NRS 281.571.

5 [4. A statement of financial disclosure shall be deemed to be 6 filed on the date that it was received by the Secretary of State.

5. Except as otherwise provided in NRS 281.572, the Secretary
 of State shall provide access through a secure website to the
 statement of financial disclosure to each person who is required to
 file the statement with the Secretary of State pursuant to this section.
 6. The Secretary of State may adopt regulations necessary to
 carry out the provisions of this section.

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Sec. 26. NRS 281.561 is hereby amended to read as follows:

14 281.561 1. Except as otherwise provided in subsections 2 15 and 3] this section and NRS 281.572, each candidate [for public 16 office who will be entitled to receive annual compensation of \$6,000 or more for serving in the office that the candidate is 17 18 seeking, each candidate for the office of Legislator and <del>cancept as</del> 19 otherwise provided in subsection 3,] each public officer who was elected to the office for which the public officer is serving shall file 20 21 electronically with the Secretary of State a *statement off* financial 22 disclosure **H** statement, as follows:

23 (a) A candidate for nomination, election or reelection to public office shall file a [statement of] financial disclosure [no] statement 24 25 *not* later than the 10th day after the last day to qualify as a candidate 26 for the office. The statement must disclose the required information 27 for the full calendar year immediately preceding the date of filing 28 and for the period between January 1 of the year in which the 29 election for the office will be held and the last day to qualify as a 30 candidate for the office. The filing of a statement off financial 31 disclosure *statement* for a portion of a calendar year pursuant to this 32 paragraph does not relieve the candidate of the requirement of filing 33 a **[statement of]** financial disclosure **statement** for the full calendar 34 year pursuant to paragraph (b) in the immediately succeeding year, 35 if the candidate is elected to the office.

36 (b) Each public officer shall file a [statement of] financial
37 disclosure *statement* on or before January 15 of:

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

40 (2) The year immediately following the year in which the 41 public officer leaves office, unless the public officer leaves office 42 before January 15 in the prior year.

43 → The statement must disclose the required information for the full
 44 calendar year immediately preceding the date of filing.



1 Except as otherwise provided in this subsection, if a 2. candidate [for public office] is serving in a public office for which 2 the candidate is required to file a statement pursuant to paragraph 3 (b) of subsection 1 or subsection 1 of NRS 281.559, the candidate 4 5 need not file the statement required by subsection 1 for the full 6 calendar year for which the candidate previously filed a statement. 7 The provisions of this subsection do not relieve the candidate of the requirement pursuant to paragraph (a) of subsection 1 to file a 8 9 **[statement of]** financial disclosure *statement* for the period between 10 January 1 of the year in which the election for the office will be held 11 and the last day to qualify as a candidate for the office.

12 3. A person elected pursuant to NRS 548.285 to the office of 13 supervisor of a conservation district is not required to file a 14 **[statement of]** financial disclosure *statement* relative to that office 15 pursuant to subsection 1.

4. A candidate for judicial office or a judicial officer shall file a
[statement of] financial disclosure *statement* pursuant to the
requirements [of Canon 4]] of the Nevada Code of Judicial Conduct.
[Such] To the extent practicable, such a statement [of financial
disclosure] must include, without limitation, all information required
to be included in a [statement of] financial disclosure statement
pursuant to NRS 281.571.

23 [5. A statement of financial disclosure shall be deemed to be
 24 filed on the date that it was received by the Secretary of State.

6. Except as otherwise provided in NRS 281.572, the Secretary
 of State shall provide access through a secure website to the
 statement of financial disclosure to each person who is required to
 file the statement with the Secretary of State pursuant to this section.
 7. The Secretary of State may adopt regulations necessary to
 carry out the provisions of this section.]

31

Sec. 27. NRS 281.571 is hereby amended to read as follows:

281.571 [1. Statements of] Each financial disclosure [, as
 approved pursuant to NRS 281A.350 or in such electronic form as
 the Secretary of State otherwise prescribes,] statement must contain
 the following information concerning the [candidate for public
 office or] public officer [:

37 <u>(a)</u> or candidate:

*1.* The [candidate's or] public officer's or candidate's length of
 residence in the State of Nevada and the district in which the
 [candidate for public office or] public officer or candidate is
 registered to vote.

42 [(b)] 2. Each source of the [candidate's or] public officer's or
 43 candidate's income, or that of any member of the [candidate's or]
 44 public officer's or candidate's household who is 18 years of age or
 45 older. No listing of individual clients, customers or patients is





1 required, but if that is the case, a general source such as 2 "professional services" must be disclosed.

3 **(c)** 3. A list of the specific location and particular use of real 4 estate, other than a personal residence:

5 [(1)] (a) In which the [candidate for public office or] public 6 officer or candidate or a member of the [candidate's or] public 7 officer's or candidate's household has a legal or beneficial interest;

8 9  $\frac{(2)}{(3)}$  (b) Whose fair market value is \$2,500 or more; and  $\frac{(3)}{(2)}$  (c) That is located in this State or an adjacent state.

10 **(d)** *4.* The name of each creditor to whom the **[candidate for public office or]** public officer *or candidate* or a member of the **[candidate's or]** public officer's *or candidate's* household owes 13 \$5,000 or more, except for:

14 [(1)] (a) A debt secured by a mortgage or deed of trust of 15 real property which is not required to be listed pursuant to 16 [paragraph (c);] subsection 3; and

17  $\frac{(2)}{(b)}$  A debt for which a security interest in a motor 18 vehicle for personal use was retained by the seller.

19 [(e)] 5. If the public officer or candidate has undertaken or 20 attended any educational or informational meetings, events or 21 trips during the immediately preceding calendar year or other 22 period for which the public officer or candidate is filing the 23 financial disclosure statement, a list of all such meetings, events or 24 trips, including:

(a) The purpose and location of the meeting, event or trip and
the name of the organization conducting, sponsoring, hosting or
requesting the meeting, event or trip;

(b) The identity of each interested person providing anything
of value to the public officer or candidate or a member of the
public officer's or candidate's household to undertake or attend
the meeting, event or trip; and

32 (c) The aggregate value of everything provided by those 33 interested persons to the public officer or candidate or a member 34 of the public officer's or candidate's household to undertake or 35 attend the meeting, event or trip.

6. If the [candidate for public office or] public officer or candidate has received any gifts in excess of an aggregate value of \$200 from a donor during the immediately preceding [taxable] calendar year [] or other period for which the public officer or candidate is filing the financial disclosure statement, a list of all such gifts, including the identity of the donor and the value of each gift. [\_except:

43 (1) A gift received from a person who is related to the

44 candidate for public office or public officer within the third degree
 45 of consanguinity or affinity.





1 (2) Ceremonial gifts received for a birthday, wedding, 2 anniversary, holiday or other ceremonial occasion if the donor does not have a substantial interest in the legislative, administrative or 3 4 political action of the candidate for public office or public officer.

5 (f) 7. A list of each business entity with which the feandidate 6 for public office or public officer or candidate or a member of the 7 **<u>candidate's or</u>** public officer's *or candidate's* household is 8 involved as a trustee, beneficiary of a trust, director, officer, owner 9 in whole or in part, limited or general partner, or holder of a class of 10 stock or security representing 1 percent or more of the total 11 outstanding stock or securities issued by the business entity.

12 (g) 8. A list of all public offices presently held by the 13 **<u>candidate for public office or</u>** public officer *or candidate* for which 14 this **[statement of]** financial disclosure **statement** is required.

15 12. The Secretary of State may adopt regulations necessary to 16 carry out the provisions of this section.

3. As used in this section, "member of the candidate's or public 17 18 officer's household" includes:

19 (a) The spouse of the candidate for public office or public 20 officer:

21 (b) A person who does not live in the same home or dwelling,

22 but who is dependent on and receiving substantial support from the candidate for public office or public officer; and 23

24 (c) A person who lived in the home or dwelling of the candidate 25 for public office or public officer for 6 months or more in the year

immediately preceding the year in which the candidate for public 26

27 office or public officer files the statement of financial disclosure.] 28

Sec. 28. NRS 281.572 is hereby amended to read as follows:

281.572 1. A [candidate or] public officer or candidate who 29 30 is required to file a [statement of] financial disclosure statement 31 with the Secretary of State pursuant to NRS 281.559 or 281.561 is 32 not required to file the statement electronically if the *leandidate orl* 33 public officer *or candidate* has on file with the Secretary of State an 34 affidavit which satisfies the requirements set forth in subsection 2 35 and which states that:

36 (a) The **[candidate or]** public officer *or candidate* does not own 37 or have the ability to access the technology necessary to file 38 electronically the **[statement of]** financial disclosure **[;]** statement; 39 and

40 (b) The **[candidate or]** public officer *or candidate* does not have 41 the financial ability to purchase or obtain access to the technology necessary to file electronically the [statement of] financial 42 43 disclosure ... statement.

44 The affidavit described in subsection 1 must be 2





(a) In the form prescribed by the Secretary of State and signed
 under an oath to God or penalty of perjury. A [candidate or] public
 officer or candidate who signs the affidavit under an oath to God is
 subject to the same penalties as if the [candidate or] public officer or
 candidate had signed the affidavit under penalty of perjury.

6 (b) Except as otherwise provided in subsection 4, filed not less
7 than 15 days before the [statement of] financial disclosure statement
8 is required to be filed.

9 3. A **[candidate or]** public officer *or candidate* who is not required to file the [statement of] financial disclosure statement 10 electronically may file the [statement of] financial disclosure 11 statement by transmitting the statement by regular mail, certified 12 13 mail, facsimile machine or personal delivery. A [statement of] 14 financial disclosure statement transmitted pursuant to this 15 subsection shall be deemed to be filed on the date that it was 16 received by the Secretary of State.

4. A person who is appointed to fill the unexpired term of an elected or appointed public officer must file the affidavit described in subsection 1 not later than 15 days after his or her appointment to be exempted from the requirement of filing a <u>[report]</u> *financial disclosure statement* electronically.

22

Sec. 29. NRS 281.573 is hereby amended to read as follows:

23 281.573 1. Except as otherwise provided in subsection 2,
24 [statements of] each financial disclosure statement required by the
25 provisions of NRS 281.558 to 281.572, inclusive, and sections 14 to
26 23, inclusive, of this act must be retained by the Secretary of State
27 for 6 years after the date of filing.

28 2. For public officers who serve more than one term in either 29 the same public office or more than one public office, the period 30 prescribed in subsection 1 begins on the date of the filing of the last 31 [statement of] financial disclosure *statement* for the last public 32 office held.

33

40

**Sec. 30.** NRS 281.574 is hereby amended to read as follows:

281.574 1. A list of each public officer who is required to file
a [statement of] financial disclosure *statement* must be submitted
electronically to the Secretary of State, in a form prescribed by the
Secretary of State, on or before December 1 of each year by:

(a) Each county clerk for all public officers of the county and
 other local governments within the county other than cities;

(b) Each city clerk for all public officers of the city;

41 (c) The Director of the Legislative Counsel Bureau for all public
 42 officers of the Legislative Branch; and

(d) The Chief of the Budget Division of the Department ofAdministration for all public officers of the Executive Branch.





2. Each county clerk, or the registrar of voters of the county if one was appointed pursuant to NRS 244.164, and each city clerk shall submit electronically to the Secretary of State, in a form prescribed by the Secretary of State, a list of each candidate [for public office] who filed a declaration of candidacy or acceptance of candidacy with that officer within 10 days after the last day to qualify as a candidate for the applicable office.

8

Sec. 31. NRS 281.581 is hereby amended to read as follows:

1. If the Secretary of State receives information that 9 281.581 10 a **[candidate for public office or]** public officer or candidate 11 willfully fails to file a **statement of** financial disclosure **statement** 12 or willfully fails to file a [statement of] financial disclosure 13 statement in a timely manner pursuant to NRS 281.559, 281.561 or 281.572, the Secretary of State may, after giving notice to [that 14 person or entity,] the public officer or candidate, cause the 15 16 appropriate proceedings to be instituted in the First Judicial District 17 Court.

18 2. Except as otherwise provided in this section, a **candidate for** 19 **public office or** public officer *or candidate* who willfully fails to 20 file a **statement of** financial disclosure **statement** or willfully fails 21 to file a **[statement of]** financial disclosure **statement** in a timely manner pursuant to NRS 281.559, 281.561 or 281.572 is subject to a 22 23 civil penalty and payment of court costs and attorney's fees. The 24 civil penalty must be recovered in a civil action brought in the name 25 of the State of Nevada by the Secretary of State in the First Judicial 26 District Court and deposited by the Secretary of State for credit to 27 the State General Fund in the bank designated by the State 28 Treasurer.

29

3. The amount of the civil penalty is:

(a) If the statement is filed not more than 10 days after the
applicable deadline set forth in subsection 1 of NRS 281.559,
subsection 1 of NRS 281.561 or NRS 281.572, \$25.

(b) If the statement is filed more than 10 days but not more than
20 days after the applicable deadline set forth in subsection 1 of
NRS 281.559, subsection 1 of NRS 281.561 or NRS 281.572, \$50.

(c) If the statement is filed more than 20 days but not more than
30 days after the applicable deadline set forth in subsection 1 of
NRS 281.559, subsection 1 of NRS 281.561 or NRS 281.572, \$100.

(d) If the statement is filed more than 30 days but not more than
45 days after the applicable deadline set forth in subsection 1 of
NRS 281.559, subsection 1 of NRS 281.561 or NRS 281.572, \$250.

42 (e) If the statement is not filed or is filed more than 45 days after
43 the applicable deadline set forth in subsection 1 of NRS 281.559,
44 subsection 1 of NRS 281.561 or NRS 281.572, \$2,000.



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

5 (a) Create a record which sets forth that the civil penalty has 6 been waived and describes the circumstances that constitute the 7 good cause shown; and

8 (b) Ensure that the record created pursuant to paragraph (a) is 9 available for review by the general public.

10 5. As used in this section, "willfully" means intentionally and 11 knowingly.

12

Sec. 32. NRS 281A.350 is hereby amended to read as follows:

281A.350 1. Any state agency or the governing body of a
county or an incorporated city may establish a specialized or local
ethics committee to complement the functions of the Commission.
A specialized or local ethics committee may:

17 (a) Establish a code of ethical standards suitable for the 18 particular ethical problems encountered in its sphere of activity. The 19 standards may not be less restrictive than the statutory ethical 20 standards.

21 (b) Render an opinion upon the request of any public officer or 22 employee of its own organization or level seeking an interpretation 23 of its ethical standards on questions directly related to the propriety of the public officer's or employee's own future official conduct or 24 25 refer the request to the Commission. Any public officer or employee 26 subject to the jurisdiction of the committee shall direct the public 27 officer's or employee's inquiry to that committee instead of the 28 Commission.

(c) Require the filing of [statements of] financial disclosure
 statements by public officers on forms prescribed by the committee
 or the city clerk if the form has been:

32 (1) Submitted, at least 60 days before its anticipated 33 distribution, to the Secretary of State for review; and

(2) Upon review, approved by the Secretary of State. The
Secretary of State shall not approve the form unless the form
contains all the information required to be included in a [statement]
financial disclosure statement pursuant to NRS 281.571.

2. The Secretary of State is not responsible for the costs of producing or distributing a form for filing a [statement of] financial disclosure *statement* pursuant to the provisions of subsection 1.

41 3. A specialized or local ethics committee shall not attempt to 42 interpret or render an opinion regarding the statutory ethical 43 standards.

44 4. Each request for an opinion submitted to a specialized or 45 local ethics committee, each hearing held to obtain information on



which to base an opinion, all deliberations relating to an opinion, 1 each opinion rendered by a committee and any motion relating to 2 3 the opinion are confidential unless:

4 (a) The public officer or employee acts in contravention of the 5 opinion; or

- 6
- 7

(b) The requester discloses the content of the opinion.

Sec. 33. NRS 293.186 is hereby amended to read as follows:

293.186 The Secretary of State and each county clerk, or the 8 9 registrar of voters of the county if one was appointed pursuant to NRS 244.164, or city clerk who receives from a candidate for public 10 office a declaration of candidacy, acceptance of candidacy or 11 12 certificate of candidacy shall give to the candidate:

13 If the candidate is a candidate for judicial office, the form 1. 14 prescribed by the Administrative Office of the Courts for the 15 making of a *statement off* financial disclosure **:** *statement*;

16 2. If the candidate is not a candidate for judicial office and is required to file electronically the [statement of] financial disclosure 17 18 statement, access to the electronic form prescribed by the 19 Secretary of State; or

3. If the candidate is not a candidate for judicial office, is 20 21 required to submit the [statement of] financial disclosure statement 22 electronically and has submitted an affidavit to the Secretary of 23 State pursuant to NRS 281.572, the form prescribed by the Secretary 24 of State.

25 → accompanied by instructions on how to complete the form and the time by which it must be filed. 26

- 27 Sec. 34. (Deleted by amendment.)
- Sec. 35. 28 (Deleted by amendment.)
- 29 Sec. 36. (Deleted by amendment.)
- Sec. 37. 30 (Deleted by amendment.)
- Sec. 38. 31 (Deleted by amendment.)
- 32 Sec. 39. (Deleted by amendment.)

33 Sec. 40. The provisions of this act do not apply to a financial disclosure statement that is filed by a public officer or candidate to 34 35 report information for any period that ends before January 1, 2016.

- Sec. 41. 36
  - This act becomes effective:
- 37 Upon passage and approval for the purpose of adopting any 1. regulations and performing any other preparatory administrative 38 tasks necessary to carry out the provisions of this act; and 39

(30)

On January 1, 2016, for all other purposes. 40 2.



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