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SENATE BILL NO. 72—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DIVISION OF ENTERPRISE  
INFORMATION TECHNOLOGY SERVICES)

PREFILED DECEMBER 20, 2014

Referred to Committee on Government Affairs

**SUMMARY**—Makes various changes relating to the Division of Enterprise Information Technology Services of the Department of Administration. (BDR 19-310)

**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.

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AN ACT relating to information technology; amending the composition and responsibilities of the Division; providing that the Administrator of the Division is the Chief Information Officer of the State; providing that certain policies, standards, guidelines and procedures set forth by the Administrator apply to the Nevada Criminal Justice Information System; amending the membership and duties of the Information Technology Advisory Board; requiring the Department of Public Safety to use the services and equipment of the Division; authorizing the Administrator to accept any money from a public or private source for deposit into the Fund for Information Services; making various other changes relating to the Division; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

- 1 Existing law creates the Division of Enterprise Information Technology
- 2 Services of the Department of Administration to provide various information
- 3 services, systems and technology to certain state officers and agencies. (NRS
- 4 242.080, 242.131) The Division consists of: (1) the Administrator of the Division;
- 5 (2) the Enterprise Application Services Unit; (3) the Communication and
- 6 Computing Unit; and (4) the Office of Information Security. **Section 3** of this bill:
- 7 (1) eliminates the Enterprise Application Services Unit, the Communication and



8 Computing Unit and the Office of Information Security; and (2) provides that the  
9 Division consists of the Administrator and such other personnel employed by the  
10 Administrator. **Sections 5, 14-16, 18, 20-26, 28 and 29** of this bill make  
11 conforming changes.

12 **Sections 4 and 19** of this bill provide that the Administrator is the Chief  
13 Information Officer of the State.

14 Existing law requires the Administrator to adopt regulations and develop  
15 certain policies, standards, guidelines and procedures relating to information  
16 systems of the Executive Branch of Government other than the Nevada System of  
17 Higher Education and the Nevada Criminal Justice Information System. (NRS  
18 242.111, 242.115) **Sections 6 and 7** of this bill provide that such regulations,  
19 policies, standards, guidelines and procedures apply to the Nevada Criminal Justice  
20 Information System.

21 Existing law creates the Information Technology Advisory Board and sets forth  
22 the duties of the Board, which include reviewing the Division's standards manual  
23 for information technology. (NRS 242.122, 242.124) **Section 8** of this bill revises  
24 the membership of the Board. **Section 10** of this bill eliminates the requirement that  
25 the Board review the Division's standards manual and adds a requirement that the  
26 Board review the Division's guidelines to assist using agencies in the development  
27 of short-term and long-term plans for their information systems.

28 Existing law requires the Board to meet at least once every 3 months. (NRS  
29 242.123) **Section 9** of this bill requires the Board to meet at least three times per  
30 calendar year.

31 Existing law provides, with limited exceptions, that all state agencies and  
32 elected state officers use the services and equipment of the Division for information  
33 systems. (NRS 242.131) **Section 11** of this bill requires the Department of Public  
34 Safety to use such services and equipment.

35 **Section 13** of this bill provides that the Division is responsible for providing  
36 network servers, including, without limitation, mainframe computers, for agencies  
37 and officers that use the equipment and services of the Division.

38 Existing law requires any state agency or elected officer which uses the  
39 equipment or services of the Division to adhere to the regulations, standards,  
40 practices, policies and conventions of the Division. (NRS 242.161, 242.181)  
41 **Sections 12 and 14** of this bill provide that if a state agency or elected officer does  
42 not so adhere, the Administrator may prohibit the state agency or elected officer  
43 from using the equipment or services of the Division.

44 **Section 15** of this bill requires the Division to investigate and resolve any  
45 attempted breach, in addition to an actual breach, of an information system of a  
46 state agency or elected officer that uses the equipment or services of the Division.

47 Existing law creates the Fund for Information Services as an internal service  
48 fund. Money in the Fund must be used to pay all operating, maintenance, rental,  
49 repair and replacement costs of equipment and all salaries of personnel assigned to  
50 the Division. (NRS 242.211) **Section 17** of this bill authorizes the Administrator to  
51 accept grants, gifts, donations, bequests, devises or other money from a public or  
52 private source for deposit in the Fund.

53 Existing law: (1) provides that certain records which relate to homeland  
54 security and are maintained by the Division are confidential; and (2) requires the  
55 Administrator to maintain a list of such records and submit an annual report  
56 concerning such records to the Director of the Legislative Counsel Bureau. (NRS  
57 242.105) **Sections 1 and 29** of this bill eliminate those provisions.



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

1       **Section 1.** NRS 239.010 is hereby amended to read as follows:  
2       239.010 1. Except as otherwise provided in this section and  
3 NRS 1.4683, 1A.110, 49.095, 62D.420, 62D.440, 62E.516,  
4 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 76.160,  
5 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413,  
6 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345,  
7 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270,  
8 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280,  
9 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130,  
10 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057,  
11 127.130, 127.140, 127.2817, 130.312, 159.044, 172.075, 172.245,  
12 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801,  
13 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179A.450,  
14 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662,  
15 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140,  
16 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464,  
17 217.475, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350,  
18 228.270, 228.450, 228.495, 228.570, 231.069, 233.190, 237.300,  
19 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140,  
20 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020,  
21 241.030, ~~242.105,~~ 244.264, 244.335, 250.087, 250.130, 250.140,  
22 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281A.350,  
23 281A.440, 281A.550, 284.4068, 286.110, 287.0438, 289.025,  
24 289.080, 289.387, 293.5002, 293.503, 293.558, 293B.135,  
25 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070,  
26 338.1379, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205,  
27 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255,  
28 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 372A.080,  
29 378.290, 378.300, 379.008, 386.655, 387.626, 387.631, 388.5275,  
30 388.528, 388.5315, 388.750, 391.035, 392.029, 392.147, 392.264,  
31 392.271, 392.652, 392.850, 394.167, 394.1698, 394.447, 394.460,  
32 394.465, 396.3295, 396.405, 396.525, 396.535, 398.403, 408.3885,  
33 408.3886, 412.153, 416.070, 422.290, 422.305, 422A.320,  
34 422A.350, 425.400, 427A.1236, 427A.872, 432.205, 432B.175,  
35 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 433.534,  
36 433A.360, 439.270, 439.840, 439B.420, 440.170, 441A.195,  
37 441A.220, 441A.230, 442.330, 442.395, 445A.665, 445B.570,  
38 449.209, 449.245, 449.720, 453.1545, 453.720, 453A.610,  
39 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555,  
40 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403,  
41 463.3407, 463.790, 467.1005, 467.137, 481.063, 482.170, 482.5536,  
42 483.340, 483.363, 483.800, 484E.070, 485.316, 503.452, 522.040,



1 534A.031, 561.285, 571.160, 584.583, 584.655, 598.0964,  
2 598.0979, 598.098, 598A.110, 599B.090, 603.070, 603A.210,  
3 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350,  
4 618.341, 618.425, 622.310, 623.131, 623A.353, 624.110, 624.265,  
5 624.327, 625.425, 625A.185, 628.418, 629.069, 630.133,  
6 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125,  
7 632.405, 633.283, 633.301, 633.524, 634.212, 634.214, 634A.185,  
8 635.158, 636.107, 637.085, 637A.315, 637B.288, 638.087, 638.089,  
9 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400,  
10 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641A.191,  
11 641B.170, 641C.760, 642.524, 643.189, 644.446, 645.180, 645.625,  
12 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225,  
13 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320,  
14 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065,  
15 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133,  
16 669.275, 669.285, 669A.310, 671.170, 673.430, 675.380, 676A.340,  
17 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190,  
18 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.280,  
19 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110,  
20 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 692A.117,  
21 692C.190, 692C.420, 693A.480, 693A.615, 696B.550, 703.196,  
22 704B.320, 704B.325, 706.1725, 710.159, 711.600, sections 35, 38  
23 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of  
24 chapter 391, Statutes of Nevada 2013 and unless otherwise declared  
25 by law to be confidential, all public books and public records of a  
26 governmental entity must be open at all times during office hours to  
27 inspection by any person, and may be fully copied or an abstract or  
28 memorandum may be prepared from those public books and public  
29 records. Any such copies, abstracts or memoranda may be used to  
30 supply the general public with copies, abstracts or memoranda of the  
31 records or may be used in any other way to the advantage of the  
32 governmental entity or of the general public. This section does not  
33 supersede or in any manner affect the federal laws governing  
34 copyrights or enlarge, diminish or affect in any other manner the  
35 rights of a person in any written book or record which is  
36 copyrighted pursuant to federal law.

37 2. A governmental entity may not reject a book or record  
38 which is copyrighted solely because it is copyrighted.

39 3. A governmental entity that has legal custody or control of a  
40 public book or record shall not deny a request made pursuant to  
41 subsection 1 to inspect or copy or receive a copy of a public book or  
42 record on the basis that the requested public book or record  
43 contains information that is confidential if the governmental  
44 entity can redact, delete, conceal or separate the confidential



1 information from the information included in the public book or  
2 record that is not otherwise confidential.

3 4. A person may request a copy of a public record in any  
4 medium in which the public record is readily available. An officer,  
5 employee or agent of a governmental entity who has legal custody  
6 or control of a public record:

7 (a) Shall not refuse to provide a copy of that public record in a  
8 readily available medium because the officer, employee or agent has  
9 already prepared or would prefer to provide the copy in a different  
10 medium.

11 (b) Except as otherwise provided in NRS 239.030, shall, upon  
12 request, prepare the copy of the public record and shall not require  
13 the person who has requested the copy to prepare the copy himself  
14 or herself.

15 **Sec. 2.** NRS 242.071 is hereby amended to read as follows:

16 242.071 1. The Legislature hereby determines and declares  
17 that the creation of the Division of Enterprise Information  
18 Technology Services of the Department of Administration is  
19 necessary for the coordinated, orderly and economical processing  
20 of information in State Government, to ensure economical use of  
21 information systems and to prevent the unnecessary proliferation of  
22 equipment and personnel among the various state agencies.

23 2. The purposes of the Division are:

24 (a) To perform information services for state agencies ~~and~~, *as*  
25 *directed by the Governor.*

26 (b) To provide technical advice but not administrative control of  
27 the information systems within the state agencies and, as authorized,  
28 of local governmental agencies.

29 **Sec. 3.** NRS 242.080 is hereby amended to read as follows:

30 242.080 1. The Division of Enterprise Information  
31 Technology Services of the Department is hereby created.

32 2. The Division consists of the Administrator and ~~the:~~

33 ~~—(a) Enterprise Application Services Unit.~~

34 ~~—(b) Communication and Computing Unit.~~

35 ~~—(c) Office of Information Security.~~

36 ~~—3. A Communications Group and a Telecommunications Group~~  
37 ~~are hereby created within the Communication and Computing Unit~~  
38 ~~of the Division.] *such other personnel employed by the*~~  
39 *Administrator to carry out the provisions of this chapter.*

40 **Sec. 4.** NRS 242.090 is hereby amended to read as follows:

41 242.090 1. The Director of the Department shall appoint the  
42 Administrator in the unclassified service of the State.

43 2. The Administrator:



1 (a) Serves at the pleasure of, and is responsible to, the Director  
2 of the Department.

3 (b) Shall not engage in any other gainful employment or  
4 occupation.

5 *(c) Is the Chief Information Officer of the State.*

6 **Sec. 5.** NRS 242.101 is hereby amended to read as follows:

7 242.101 1. The Administrator shall:

8 ~~(a) Appoint the heads of the Enterprise Application Services~~  
9 ~~Unit and the Communication and Computing Unit of the Division in~~  
10 ~~the unclassified service of the State;~~

11 ~~—(b) Appoint the Chief of the Office of Information Security who~~  
12 ~~is in the classified service of the State;~~

13 ~~—(c) Administer the provisions of this chapter and other~~  
14 ~~provisions of law relating to the duties of the Division; and~~

15 ~~[(d) Carry]~~

16 *(b) Appoint such personnel as necessary to carry* out other  
17 duties and exercise other powers specified by law.

18 2. The Administrator may form committees to establish  
19 standards and determine criteria for evaluation of policies relating to  
20 informational services.

21 **Sec. 6.** NRS 242.111 is hereby amended to read as follows:

22 242.111 The Administrator shall adopt regulations necessary  
23 for the administration of this chapter, including:

24 1. The policy for the information systems of the Executive  
25 Branch of Government, excluding the Nevada System of Higher  
26 Education, ~~[and the Nevada Criminal Justice Information System,]~~  
27 as that policy relates, but is not limited, to such items as standards  
28 for systems and programming and criteria for selection, location and  
29 use of information systems to meet the requirements of state  
30 agencies and officers at the least cost to the State;

31 2. The procedures of the Division in providing information  
32 services, which may include provision for the performance, by an  
33 agency which uses the services or equipment of the Division; ~~[-of~~  
34 ~~preliminary procedures, such as data recording and verification,~~  
35 ~~within the agency;]~~

36 3. The effective administration of the Division, including,  
37 without limitation, *management of the state network and data*  
38 *centers*, security to prevent unauthorized access to information  
39 systems and plans for the recovery of systems and applications after  
40 they have been disrupted;

41 4. The development of standards to ensure the security of the  
42 information systems of the Executive Branch of Government; and

43 5. Specifications and standards for the employment of all  
44 personnel of the Division.



1 **Sec. 7.** NRS 242.115 is hereby amended to read as follows:

2 242.115 1. Except as otherwise provided in subsection 2, the  
3 Administrator shall:

4 (a) Develop policies and standards for the information systems  
5 of the Executive Branch of Government;

6 (b) Coordinate the development of a biennial state plan for the  
7 information systems of the Executive Branch of Government;

8 (c) Develop guidelines to assist state agencies in the  
9 development of short- and long-term plans for their information  
10 systems; and

11 (d) Develop guidelines and procedures for the procurement and  
12 maintenance of the information systems of the Executive Branch of  
13 Government.

14 2. This section does not apply to the Nevada System of Higher  
15 Education . ~~for the Nevada Criminal Justice Information System  
16 used to provide support for the operations of law enforcement  
17 agencies in this State.~~

18 **Sec. 8.** NRS 242.122 is hereby amended to read as follows:

19 242.122 1. There is hereby created an Information  
20 Technology Advisory Board. The Board consists of:

21 (a) One member appointed by the Majority Floor Leader of the  
22 Senate from the membership of the Senate Standing Committee on  
23 Finance.

24 (b) One member appointed by the Speaker of the Assembly  
25 from the membership of the Assembly Standing Committee on  
26 Ways and Means.

27 (c) ~~Two~~ **Three** representatives of using agencies which are  
28 major users of ~~the services of the Division. The Governor shall  
29 appoint the two representatives.~~ **information technology appointed  
30 by the Governor.** Each such representative serves for a term of 4  
31 years. For the purposes of this paragraph, an agency is a "major  
32 user" if it is among the top five users of ~~the~~ **information** services ,  
33 ~~of the Division,~~ based on the amount of money paid by each  
34 agency for ~~the~~ **information** services ~~of the Division~~ during the  
35 immediately preceding biennium.

36 (d) The ~~Director of the Department or his or her designee.~~

37 ~~—(e) The Attorney General or his or her designee.~~

38 ~~—(f) Five~~ **Chief of the Budget Division of the Department.**

39 (e) **Three** persons appointed by the Governor as follows:

40 (1) ~~Three persons~~ **One person** who ~~represent~~ **represents** a  
41 city or county in this State ~~[-, at least one of whom]~~ **and** is engaged  
42 in information technology or information security; and

43 (2) Two persons who represent the information technology  
44 industry but who:

45 (I) Are not employed by this State; **and**



1 (II) Do not hold any elected or appointed office in State  
2 Government. ~~f~~;

3 ~~(III) Do not have an existing contract or other agreement~~  
4 ~~to provide information services, systems or technology to an agency~~  
5 ~~of this State; and~~

6 ~~(IV) Are independent of and have no direct or indirect~~  
7 ~~pecuniary interest in a corporation, association, partnership or other~~  
8 ~~business organization which provides information services, systems~~  
9 ~~or technology to an agency of this State.]~~

10 2. Each person appointed pursuant to paragraph ~~(f)~~ (e) of  
11 subsection 1 serves for a term of 4 years. No person so appointed  
12 may serve more than 2 consecutive terms.

13 3. At the first regular meeting of each calendar year, the  
14 members of the Board shall elect a Chair by majority vote.

15 **Sec. 9.** NRS 242.123 is hereby amended to read as follows:

16 242.123 1. The Board shall meet at least ~~once every 3~~  
17 ~~months] three times per calendar year~~ and may meet at such further  
18 times as deemed necessary by the Chair.

19 2. Members of the Board who are officers or employees of the  
20 Executive Department of State Government serve without additional  
21 compensation. Members who are not officers or employees of the  
22 Executive Department of State Government are entitled to a salary  
23 of \$80 for each day or part of a day spent on the business of the  
24 Board. All members of the Board are entitled to receive the per diem  
25 allowance and travel expenses provided for state officers and  
26 employees generally.

27 **Sec. 10.** NRS 242.124 is hereby amended to read as follows:

28 242.124 1. The Board shall:

29 (a) Advise the Division concerning issues relating to  
30 information technology, including, without limitation, the  
31 development, acquisition, consolidation and integration of, and  
32 policies, planning and standards for, information technology.

33 (b) Periodically review the Division's statewide strategic plans  
34 and ~~standards manual for information technology.]~~ *guidelines to*  
35 *assist using agencies in the development of short-term and long-*  
36 *term plans for their information systems.*

37 (c) Review the Division's proposed budget before its submission  
38 to the Budget Division of the Department. ~~[of Administration.]~~

39 2. The Board may:

40 (a) With the consent of the Division, recommend goals and  
41 objectives for the Division, including periods and deadlines in  
42 which to achieve those goals and objectives.

43 (b) Upon request by a using agency, review issues and policies  
44 concerning information technology to resolve disputes with the  
45 Division.





1 (c) Review the plans for information technology of each using  
2 agency.

3 **Sec. 11.** NRS 242.131 is hereby amended to read as follows:

4 242.131 1. The Division shall provide state agencies and  
5 elected state officers with all their required design of information  
6 systems. All agencies and officers must use those services and  
7 equipment, except as otherwise provided in subsection 2 ~~(f)~~ **and**  
8 **subsection 1 of NRS 242.181.**

9 2. The following agencies may negotiate with the Division for  
10 its services or the use of its equipment, subject to the provisions of  
11 this chapter, and the Division shall provide those services and the  
12 use of that equipment as may be mutually agreed:

13 (a) The Court Administrator;

14 (b) The Department of Motor Vehicles;

15 (c) ~~The Department of Public Safety;~~

16 ~~(d)~~ The Department of Transportation;

17 ~~(e)~~ (d) The Employment Security Division of the Department  
18 of Employment, Training and Rehabilitation;

19 ~~(f)~~ (e) The Department of Wildlife;

20 ~~(g)~~ (f) The Housing Division of the Department of Business  
21 and Industry;

22 ~~(h)~~ (g) The Legislative Counsel Bureau;

23 ~~(i)~~ (h) The State Controller;

24 ~~(j)~~ (i) The State Gaming Control Board and Nevada Gaming  
25 Commission; and

26 ~~(k)~~ (j) The Nevada System of Higher Education.

27 3. Any state agency or elected state officer **not described in**  
28 **subsection 2** who ~~uses the services of the Division and~~ desires to  
29 withdraw ~~substantially~~ from ~~that use~~ **receiving information**  
30 **services or information systems from the Division** must apply to  
31 the Administrator for approval. The application must set forth  
32 justification for the withdrawal. **The Administrator shall, in**  
33 **consultation with the Governor, determine whether to approve or**  
34 **deny the application.** If the Administrator denies the application, the  
35 agency or officer must:

36 (a) If the Legislature is in regular or special session, obtain the  
37 approval of the Legislature by concurrent resolution.

38 (b) If the Legislature is not in regular or special session, obtain  
39 the approval of the Interim Finance Committee. The Administrator  
40 shall, within 45 days after receipt of the application, forward the  
41 application together with his or her recommendation for approval or  
42 denial to the Interim Finance Committee. The Interim Finance  
43 Committee has 45 days after the application and recommendation  
44 are submitted to its Secretary within which to consider the



1 application. Any application which is not considered by the  
2 Committee within the 45-day period shall be deemed approved.

3 4. If the demand for services or use of equipment exceeds the  
4 capability of the Division to provide them, the ~~[Division]~~  
5 *Administrator* may *authorize a using agency to* contract with other  
6 agencies or independent contractors to furnish the required services  
7 or use of equipment . ~~[and]~~ *The using agency* is responsible for the  
8 administration of the contracts.

9 **Sec. 12.** NRS 242.161 is hereby amended to read as follows:

10 242.161 1. All equipment of an agency or elected state  
11 officer which is owned or leased by the State must be under the  
12 managerial control of the Division, except the equipment of the  
13 agencies and officers specified in subsection 2 of NRS 242.131 ~~[ ]~~  
14 *and subsection 1 of NRS 242.181.*

15 2. The Division may permit an agency which is required to use  
16 such equipment to operate it on the agency's premises.

17 **Sec. 13.** NRS 242.171 is hereby amended to read as follows:

18 242.171 1. The Division is responsible for:

19 (a) The applications of information systems;

20 (b) Designing and placing those information systems in  
21 operation;

22 (c) *Providing network servers, including, without limitation,*  
23 *mainframe computers;*

24 (d) Any application of an information system which it furnishes  
25 to state agencies and officers after negotiation; and

26 ~~[(d)]~~ (e) The security validation, testing, including, without  
27 limitation, penetration testing, and continuous monitoring of  
28 information systems,

29 ~~↳~~ for using agencies and for state agencies and officers which use  
30 the equipment or services of the Division pursuant to subsection 2 of  
31 NRS 242.131.

32 2. The Administrator shall review and approve or disapprove,  
33 pursuant to standards for justifying cost, any application of an  
34 information system having an estimated developmental cost of  
35 \$50,000 or more. No using agency may commence development  
36 work on any such applications until approval and authorization have  
37 been obtained from the Administrator.

38 3. As used in this section, "penetration testing" means a  
39 method of evaluating the security of an information system or  
40 application of an information system by simulating unauthorized  
41 access to the information system or application.

42 **Sec. 14.** NRS 242.181 is hereby amended to read as follows:

43 242.181 1. Any state agency or elected state officer which  
44 uses the equipment or services of the Division shall adhere to the  
45 regulations, standards, practices, policies and conventions of the



1 Division. *If any such state agency or elected officer does not*  
2 *adhere to the regulations, standards, practices, policies and*  
3 *conventions, the Administrator may prohibit the state agency or*  
4 *elected officer from using the equipment or services of the*  
5 *Division.*

6 2. Each state agency or elected state officer described in  
7 subsection 1 shall report any suspected incident of:

8 (a) Unauthorized access *or an attempt to gain unauthorized*  
9 *access* to an information system or application of an information  
10 system of the Division used by the state agency or elected state  
11 *officer or of an information system of the state agency or elected*  
12 *state officer*; and

13 (b) Noncompliance with the regulations, standards, practices,  
14 policies and conventions of the Division that is identified by the  
15 Division as security-related,

16 ~~to the [Office of Information Security of the Division]~~  
17 *Administrator, or his or her designee*, within 24 hours after  
18 discovery of the suspected incident. ~~[If the Office determines that an~~  
19 ~~incident of unauthorized access or noncompliance occurred, the~~  
20 ~~Office shall immediately report the incident to the Administrator.]~~  
21 The Administrator, *or his or her designee*, shall assist in the  
22 investigation and resolution of any such incident.

23 3. The Division shall provide services to each state agency and  
24 elected state officer described in subsection 1 uniformly with respect  
25 to degree of service, priority of service, availability of service and  
26 cost of service.

27 **Sec. 15.** NRS 242.183 is hereby amended to read as follows:

28 242.183 1. The ~~[Chief of the Office of Information Security]~~  
29 *Division* shall investigate and resolve any breach *or attempted*  
30 *breach* of an information system of a state agency or elected officer  
31 that uses the equipment or services of the Division or an application  
32 of such an information system or unauthorized acquisition of  
33 computerized data that materially compromises *or could have*  
34 *materially compromised* the security, confidentiality or integrity of  
35 such an information system.

36 2. The Administrator or ~~[Chief of the Office of Information~~  
37 ~~Security, at]~~ his or her *designee, at the Administrator's* discretion,  
38 may inform members of the Technological Crime Advisory  
39 Board created by NRS 205A.040, the Nevada Commission on  
40 Homeland Security created by NRS 239C.120 and the Information  
41 Technology Advisory Board created by NRS 242.122 of any breach  
42 *or attempted breach* of an information system of a state agency or  
43 elected officer or application of such an information system or  
44 unauthorized acquisition of computerized data that materially



1 compromises *or could have materially compromised* the security,  
2 confidentiality or integrity of such an information system.

3 **Sec. 16.** NRS 242.191 is hereby amended to read as follows:

4 242.191 1. Except as otherwise provided in subsection 3, the  
5 amount receivable from a state agency or officer or local  
6 governmental agency which uses the services of the Division must  
7 be determined by the Administrator in each case and include:

8 (a) The annual expense, including depreciation, of operating and  
9 maintaining the ~~{Communication and Computing Unit,}~~ *Division*,  
10 distributed among the agencies *or officers* in proportion to the  
11 services performed for each agency ~~{}~~ *or officer*.

12 (b) A service charge in an amount determined by distributing the  
13 monthly installment for the construction costs of the computer  
14 facility among the agencies *or officers* in proportion to the services  
15 performed for each agency ~~{}~~ *or officer*.

16 2. The Administrator shall prepare and submit monthly to the  
17 state agencies and officers and local governmental agencies for  
18 which services of the Division have been performed an itemized  
19 statement of the amount receivable from each state agency or officer  
20 or local governmental agency.

21 3. The Administrator may authorize, if in his or her judgment  
22 the circumstances warrant, a fixed cost billing, including a factor for  
23 depreciation, for services rendered to a state agency or officer or  
24 local governmental agency.

25 **Sec. 17.** NRS 242.211 is hereby amended to read as follows:

26 242.211 1. The Fund for Information Services is hereby  
27 created as an internal service fund. Money from the Fund must be  
28 paid out on claims as other claims against the State are paid. The  
29 claims must be made in accordance with budget allotments and are  
30 subject to postaudit examination and approval. *The Administrator*  
31 *may accept grants, gifts, donations, bequests, devises or other*  
32 *money from a public or private source for deposit in the Fund.*

33 2. All operating, maintenance, rental, repair and replacement  
34 costs of equipment and all salaries of personnel assigned to the  
35 Division must be paid from the Fund.

36 3. Each agency using the services of the Division shall pay a  
37 fee for that use to the Fund, which must be set by the Administrator  
38 in an amount sufficient to reimburse the Division for the entire cost  
39 of providing those services, including overhead. Each using agency  
40 shall budget for those services. All fees, proceeds from the sale of  
41 equipment and any other money received by the Division must be  
42 deposited with the State Treasurer for credit to the Fund.

43 **Sec. 18.** NRS 205.4765 is hereby amended to read as follows:

44 205.4765 1. Except as otherwise provided in subsection 6, a  
45 person who knowingly, willfully and without authorization:



- 1 (a) Modifies;
- 2 (b) Damages;
- 3 (c) Destroys;
- 4 (d) Discloses;
- 5 (e) Uses;
- 6 (f) Transfers;
- 7 (g) Conceals;
- 8 (h) Takes;
- 9 (i) Retains possession of;
- 10 (j) Copies;
- 11 (k) Obtains or attempts to obtain access to, permits access to or
- 12 causes to be accessed; or
- 13 (l) Enters,
- 14 ↪ data, a program or any supporting documents which exist inside
- 15 or outside a computer, system or network is guilty of a
- 16 misdemeanor.
- 17 2. Except as otherwise provided in subsection 6, a person who
- 18 knowingly, willfully and without authorization:
- 19 (a) Modifies;
- 20 (b) Destroys;
- 21 (c) Uses;
- 22 (d) Takes;
- 23 (e) Damages;
- 24 (f) Transfers;
- 25 (g) Conceals;
- 26 (h) Copies;
- 27 (i) Retains possession of; or
- 28 (j) Obtains or attempts to obtain access to, permits access to or
- 29 causes to be accessed,
- 30 ↪ equipment or supplies that are used or intended to be used in a
- 31 computer, system or network is guilty of a misdemeanor.
- 32 3. Except as otherwise provided in subsection 6, a person who
- 33 knowingly, willfully and without authorization:
- 34 (a) Destroys;
- 35 (b) Damages;
- 36 (c) Takes;
- 37 (d) Alters;
- 38 (e) Transfers;
- 39 (f) Discloses;
- 40 (g) Conceals;
- 41 (h) Copies;
- 42 (i) Uses;
- 43 (j) Retains possession of; or



1 (k) Obtains or attempts to obtain access to, permits access to or  
2 causes to be accessed,  
3 ↪ a computer, system or network is guilty of a misdemeanor.  
4 4. Except as otherwise provided in subsection 6, a person who  
5 knowingly, willfully and without authorization:  
6 (a) Obtains and discloses;  
7 (b) Publishes;  
8 (c) Transfers; or  
9 (d) Uses,  
10 ↪ a device used to access a computer, network or data is guilty of a  
11 misdemeanor.  
12 5. Except as otherwise provided in subsection 6, a person who  
13 knowingly, willfully and without authorization introduces, causes to  
14 be introduced or attempts to introduce a computer contaminant into  
15 a computer, system or network is guilty of a misdemeanor.  
16 6. If the violation of any provision of this section:  
17 (a) Was committed to devise or execute a scheme to defraud or  
18 illegally obtain property;  
19 (b) Caused response costs, loss, injury or other damage in excess  
20 of \$500; or  
21 (c) Caused an interruption or impairment of a public service,  
22 including, without limitation, a governmental operation, a system of  
23 public communication or transportation or a supply of water, gas or  
24 electricity,  
25 ↪ the person is guilty of a category C felony and shall be punished  
26 as provided in NRS 193.130, and may be further punished by a fine  
27 of not more than \$100,000. In addition to any other penalty, the  
28 court shall order the person to pay restitution.  
29 7. The provisions of this section do not apply to a person  
30 performing any testing, including, without limitation, penetration  
31 testing, of an information system of an agency that uses the  
32 equipment or services of the Division of Enterprise Information  
33 Technology Services *of the Department of Administration* that is  
34 authorized by the Administrator of the ~~[Division of Enterprise~~  
35 ~~Information Technology Services or the head of the Office of~~  
36 ~~Information Security of the]~~ Division. As used in this subsection:  
37 (a) "Information system" has the meaning ascribed to it in  
38 NRS 242.057.  
39 (b) "Penetration testing" has the meaning ascribed to it in  
40 NRS 242.171.  
41 **Sec. 19.** NRS 223.085 is hereby amended to read as follows:  
42 223.085 1. The Governor may, within the limits of available  
43 money, employ such persons as he or she deems necessary to  
44 provide an appropriate staff for the Office of the Governor,  
45 including, without limitation, the Office of Economic Development,



1 the Office of Science, Innovation and Technology and the  
2 Governor's mansion. Any such employees are not in the classified  
3 or unclassified service of the State and, except as otherwise  
4 provided in NRS 231.043 and 231.047, serve at the pleasure of the  
5 Governor.

6 2. The Governor shall:

7 (a) Determine the salaries and benefits of the persons employed  
8 pursuant to subsection 1, within limits of money available for that  
9 purpose; and

10 (b) Adopt such rules and policies as he or she deems appropriate  
11 to establish the duties and employment rights of the persons  
12 employed pursuant to subsection 1.

13 ~~3. The Governor may:~~

14 ~~—(a) Appoint a Chief Information Officer of the State; or~~

15 ~~—(b) Designate the Administrator as the Chief Information Officer~~  
16 ~~of the State.~~

17 ~~→ If the Administrator is so appointed, the Administrator shall serve~~  
18 ~~as the Chief Information Officer of the State without additional~~  
19 ~~compensation.~~

20 ~~4. As used in this section, "Administrator" means the~~  
21 ~~Administrator of the Division of Enterprise Information Technology~~  
22 ~~Services of the Department of Administration.]~~

23 **Sec. 20.** NRS 233F.010 is hereby amended to read as follows:

24 233F.010 As used in this chapter, unless the context otherwise  
25 requires, the words and terms defined in NRS 233F.015 to  
26 ~~[233F.065,]~~ **233F.060**, inclusive, have the meanings ascribed to  
27 them in those sections.

28 **Sec. 21.** NRS 233F.117 is hereby amended to read as follows:

29 233F.117 If a state agency other than the ~~[Communications~~  
30 ~~Group]~~ **Division** adds equipment which extends the state  
31 communications system to another location, the extension, if  
32 approved by the Administrator, becomes part of the state  
33 communications system. An approved extension of the system is  
34 subject to the provisions of this chapter relating to the system.

35 **Sec. 22.** NRS 233F.260 is hereby amended to read as follows:

36 233F.260 The Board shall provide advice to the  
37 ~~[Telecommunications—Group]~~ **Division** on the use of  
38 telecommunications by the State Government, including:

- 39 1. The development of policies, standards, plans and designs;
- 40 2. The procurement of systems, facilities and services;
- 41 3. The integration of telecommunications systems with other  
42 state and local governmental systems; and
- 43 4. New technology that may become or is available.



1       **Sec. 23.** NRS 233F.270 is hereby amended to read as follows:  
2       233F.270 1. The ~~{Telecommunications Group,}~~ *Division*,  
3 with the advice of the Board, shall:

4       (a) Plan, carry out and administer a state telecommunications  
5 system. When available at a competitive cost, the  
6 ~~{Telecommunications Group}~~ *Division* shall use the facilities of  
7 telephone companies providing local exchange service.

8       (b) Make arrangements for the installation of a central telephone  
9 switchboard or switchboards to serve the state offices in one or more  
10 buildings as may be practical or feasible.

11       2. The system must be integrated and may include services  
12 between the State and any cities, counties and schools.

13       3. The Division may consider for the system all the  
14 telecommunications requirements of the State and its political  
15 subdivisions.

16       **Sec. 24.** NRS 459.742 is hereby amended to read as follows:

17       459.742 The Commission, in carrying out its duties and within  
18 the limits of legislative appropriations and other available money,  
19 may:

20       1. Enter into contracts, leases or other agreements or  
21 transactions;

22       2. Provide grants of money to local emergency planning  
23 committees to improve their ability to respond to emergencies  
24 involving hazardous materials;

25       3. Assist with the development of comprehensive plans for  
26 responding to such emergencies in this State;

27       4. Provide technical assistance and administrative support to  
28 the ~~{Telecommunications Group of the Communication and~~  
29 ~~Computing Unit of the}~~ Division of Enterprise Information  
30 Technology Services of the Department of Administration for the  
31 development of systems for communication during such  
32 emergencies;

33       5. Provide technical and administrative support and assistance  
34 for training programs;

35       6. Develop a system to provide public access to data relating to  
36 hazardous materials;

37       7. Support any activity or program eligible to receive money  
38 from the Contingency Account for Hazardous Materials;

39       8. Adopt regulations setting forth the manner in which the  
40 Division of Emergency Management of the Department shall:

41       (a) Allocate money received by the Division which relates to  
42 hazardous materials or is received pursuant to 42 U.S.C. §§ 11001 et  
43 seq. or 49 U.S.C. §§ 5101 et seq.; and

44       (b) Approve programs developed to address planning for and  
45 responding to emergencies involving hazardous materials; and





1 9. Coordinate the activities administered by state agencies to  
2 carry out the provisions of this chapter, 42 U.S.C. §§ 11001 et seq.  
3 and 49 U.S.C. §§ 5101 et seq.

4 **Sec. 25.** NRS 603A.215 is hereby amended to read as follows:

5 603A.215 1. If a data collector doing business in this State  
6 accepts a payment card in connection with a sale of goods or  
7 services, the data collector shall comply with the current version of  
8 the Payment Card Industry (PCI) Data Security Standard, as adopted  
9 by the PCI Security Standards Council or its successor organization,  
10 with respect to those transactions, not later than the date for  
11 compliance set forth in the Payment Card Industry (PCI) Data  
12 Security Standard or by the PCI Security Standards Council or its  
13 successor organization.

14 2. A data collector doing business in this State to whom  
15 subsection 1 does not apply shall not:

16 (a) Transfer any personal information through an electronic,  
17 nonvoice transmission other than a facsimile to a person outside of  
18 the secure system of the data collector unless the data collector uses  
19 encryption to ensure the security of electronic transmission; or

20 (b) Move any data storage device containing personal  
21 information beyond the logical or physical controls of the data  
22 collector, its data storage contractor or, if the data storage device is  
23 used by or is a component of a multifunctional device, a person who  
24 assumes the obligation of the data collector to protect personal  
25 information, unless the data collector uses encryption to ensure the  
26 security of the information.

27 3. A data collector shall not be liable for damages for a breach  
28 of the security of the system data if:

29 (a) The data collector is in compliance with this section; and

30 (b) The breach is not caused by the gross negligence or  
31 intentional misconduct of the data collector, its officers, employees  
32 or agents.

33 4. The requirements of this section do not apply to:

34 (a) A telecommunication provider acting solely in the role of  
35 conveying the communications of other persons, regardless of the  
36 mode of conveyance used, including, without limitation:

37 (1) Optical, wire line and wireless facilities;

38 (2) Analog transmission; and

39 (3) Digital subscriber line transmission, voice over Internet  
40 protocol and other digital transmission technology.

41 (b) Data transmission over a secure, private communication  
42 channel for:

43 (1) Approval or processing of negotiable instruments,  
44 electronic fund transfers or similar payment methods; or



1 (2) Issuance of reports regarding account closures due to  
2 fraud, substantial overdrafts, abuse of automatic teller machines or  
3 related information regarding a customer.

4 5. As used in this section:

5 (a) "Data storage device" means any device that stores  
6 information or data from any electronic or optical medium,  
7 including, but not limited to, computers, cellular telephones,  
8 magnetic tape, electronic computer drives and optical computer  
9 drives, and the medium itself.

10 (b) "Encryption" means the protection of data in electronic or  
11 optical form, in storage or in transit, using:

12 (1) An encryption technology that has been adopted by an  
13 established standards setting body, including, but not limited to, the  
14 Federal Information Processing Standards issued by the National  
15 Institute of Standards and Technology, which renders such data  
16 indecipherable in the absence of associated cryptographic keys  
17 necessary to enable decryption of such data;

18 (2) Appropriate management and safeguards of  
19 cryptographic keys to protect the integrity of the encryption using  
20 guidelines promulgated by an established standards setting body,  
21 including, but not limited to, the National Institute of Standards and  
22 Technology; and

23 (3) Any other technology or method identified by the ~~Office~~  
24 ~~of Information Security of the~~ Division of Enterprise Information  
25 Technology Services of the Department of Administration in  
26 regulations adopted pursuant to NRS 603A.217.

27 (c) "Facsimile" means an electronic transmission between two  
28 dedicated fax machines using Group 3 or Group 4 digital formats that  
29 conform to the International Telecommunications Union T.4 or T.38  
30 standards or computer modems that conform to the International  
31 Telecommunications Union T.31 or T.32 standards. The term does  
32 not include onward transmission to a third device after protocol  
33 conversion, including, but not limited to, any data storage device.

34 (d) "Multifunctional device" means a machine that incorporates  
35 the functionality of devices, which may include, without limitation,  
36 a printer, copier, scanner, facsimile machine or electronic mail  
37 terminal, to provide for the centralized management, distribution or  
38 production of documents.

39 (e) "Payment card" has the meaning ascribed to it in  
40 NRS 205.602.

41 (f) "Telecommunication provider" has the meaning ascribed to it  
42 in NRS 704.027.

43 **Sec. 26.** NRS 603A.217 is hereby amended to read as follows:

44 603A.217 Upon receipt of a well-founded petition, the ~~Office~~  
45 ~~of Information Security of the~~ Division of Enterprise Information



1 Technology Services of the Department of Administration may,  
2 pursuant to chapter 233B of NRS, adopt regulations which identify  
3 alternative methods or technologies which may be used to encrypt  
4 data pursuant to NRS 603A.215.

5 **Sec. 27.** 1. Notwithstanding any provision of law to the  
6 contrary, the terms of office of the existing members of the  
7 Information Technology Advisory Board appointed pursuant to  
8 paragraphs (c) to (f), inclusive, of subsection 1 of NRS 242.122,  
9 expire on June 30, 2015.

10 2. On or before July 1, 2015, the Governor shall appoint  
11 members to the Information Technology Advisory Board that meet  
12 the requirements set forth in paragraphs (c) and (e) of subsection 1  
13 of NRS 242.122, as amended by section 8 of this act.

14 3. The terms of office of the members appointed pursuant to  
15 this section is 4 years.

16 **Sec. 28.** The Legislative Counsel shall, in preparing  
17 supplements to the Nevada Administrative Code, appropriately  
18 change any references to any officer, agency or other entity:

19 1. Whose name is changed pursuant to the provisions of this  
20 act; or

21 2. Whose responsibilities have been transferred pursuant to the  
22 provisions of this act, to refer to the appropriate officer, agency or  
23 other entity.

24 **Sec. 29.** NRS 233F.045, 233F.065, 242.105, 242.135 and  
25 242.151 are hereby repealed.

26 **Sec. 30.** 1. This section and section 27 of this act become  
27 effective upon passage and approval.

28 2. Sections 1 to 26, inclusive, and sections 28 and 29 of this act  
29 become effective on July 1, 2015.

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## LEADLINES OF REPEALED SECTIONS

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**233F.045 “Communications Group” defined.**

**233F.065 “Telecommunications Group” defined.**

**242.105 Confidentiality of certain documents relating to  
homeland security: List; biennial review; annual report.**

**242.135 Employment of one or more persons to provide  
information services for agency or elected officer of State.**

**242.151 Administrator to advise agencies.**



