
SENATE BILL NO. 147—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE COMMISSION ON ETHICS)

FEBRUARY 18, 2003

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to Commission on Ethics. (BDR 23-500)

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

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

AN ACT relating to ethics in government; requiring certain public officers to submit electronically to the Commission on Ethics a list of public officers and candidates for public office; revising the prohibition against a public officer or employee using his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for certain persons; removing a duplicative provision relating to the disclosure of certain conflicts of interest; removing certain deadlines related to investigations and determinations concerning ethics violations; eliminating the authority of the Commission to impose a civil penalty against a person who submits to the Commission a false accusation or information in bad faith or with a vexatious purpose; revising the provisions governing the filing of statements of financial disclosure; repealing the provision prohibiting a person from making, using, publishing or disseminating a false, deceptive or misleading statement to induce the Commission to render an opinion or take action relating thereto; and providing other matters properly relating thereto.

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



1 **Section 1.** Chapter 281 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *A list of each public officer who is required to file a*
4 *statement of financial disclosure pursuant to NRS 281.561 must*
5 *be submitted electronically to the Commission, in a form*
6 *prescribed by the Commission, on or before December 1 of each*
7 *year by:*

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

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

11 (c) *The Director of the Legislative Counsel Bureau for all*
12 *public officers of the Legislative Branch; and*

13 (d) *The Chief of the Budget Division of the Department of*
14 *Administration for all public officers of the Executive Branch.*

15 2. *The Secretary of State, each county clerk, or the registrar*
16 *of voters of the county if one was appointed pursuant to NRS*
17 *244.164, and each city clerk shall submit electronically to the*
18 *Commission, in a form prescribed by the Commission, a list of*
19 *each candidate for public office who filed a declaration of*
20 *candidacy or acceptance of candidacy with that officer within 10*
21 *days after the last day to qualify as a candidate for the applicable*
22 *office.*

23 **Sec. 2.** NRS 281.431 is hereby amended to read as follows:

24 281.431 As used in NRS 281.411 to 281.581, inclusive, *and*
25 *section 1 of this act*, unless the context otherwise requires, the
26 words and terms defined in NRS 281.432 to 281.4375, inclusive,
27 have the meanings ascribed to them in those sections.

28 **Sec. 3.** NRS 281.4635 is hereby amended to read as follows:

29 281.4635 1. In addition to any other duties imposed upon
30 him, the Executive Director shall:

31 (a) Maintain complete and accurate records of all transactions
32 and proceedings of the Commission.

33 (b) Receive requests for opinions pursuant to NRS 281.511,
34 294A.345 or 294A.346.

35 (c) Gather information and conduct investigations regarding
36 requests for opinions received by the Commission and submit
37 recommendations to the panel appointed pursuant to NRS 281.462
38 regarding whether there is just and sufficient cause to render an
39 opinion in response to a particular request.

40 (d) Recommend to the Commission any regulations or
41 legislation that he considers desirable or necessary to improve the
42 operation of the Commission and maintain high standards of ethical
43 conduct in government.

44 (e) Upon the request of any public officer or the employer of a
45 public employee, conduct training on the requirements of this



1 chapter, the rules and regulations adopted by the Commission and
2 previous opinions of the Commission. In any such training, the
3 Executive Director shall emphasize that he is not a member of the
4 Commission and that only the Commission may issue opinions
5 concerning the application of the statutory ethical standards to any
6 given set of facts and circumstances. The Commission ~~{shall}~~ *may*
7 charge a reasonable fee to cover the costs of training provided by
8 the Executive Director pursuant to this subsection.

9 (f) Perform such other duties, not inconsistent with law, as may
10 be required by the Commission.

11 2. The Executive Director shall, within the limits of legislative
12 appropriation, employ such persons as are necessary to carry out any
13 of his duties relating to:

- 14 (a) The administration of the affairs of the Commission;
- 15 (b) The review of statements of financial disclosure; and
- 16 (c) The investigation of matters under the jurisdiction of the
17 Commission.

18 **Sec. 4.** NRS 281.4645 is hereby amended to read as follows:

19 281.4645 1. The Commission Counsel is the legal adviser to
20 the Commission. For each opinion of the Commission, the
21 Commission Counsel shall prepare, at the direction of the
22 Commission, the appropriate findings of fact and conclusions as to
23 relevant standards and the propriety of particular conduct. ~~{within~~
24 ~~the time set forth in subsection 4 of NRS 281.511.}~~ The
25 Commission Counsel shall not issue written opinions concerning the
26 applicability of the statutory ethical standards to a given set of facts
27 and circumstances except as directed by the Commission.

28 2. The Commission may rely upon the legal advice of the
29 Commission Counsel in conducting its daily operations.

30 3. If the Commission Counsel is prohibited from acting on a
31 particular matter pursuant to NRS 281.501, he shall disclose the
32 reasons therefor to the Chairman and the Attorney General shall
33 appoint a deputy to act in the place of the Commission Counsel for
34 that particular matter.

35 **Sec. 5.** NRS 281.475 is hereby amended to read as follows:

36 281.475 1. The Chairman and Vice Chairman of the
37 Commission may administer oaths.

38 2. The Commission, upon majority vote, may issue a subpoena
39 to compel the attendance of a witness and the production of books
40 and papers. Upon the request of the Executive Director or the public
41 officer or public employee who is the subject of a request for an
42 opinion, the Chairman or, in his absence, the Vice Chairman, may
43 issue a subpoena to compel the attendance of a witness and the
44 production of books and papers.



1 3. Before issuing a subpoena to a public officer or public
2 employee who is the subject of a request for an opinion, the
3 Executive Director shall submit a written request to the public
4 officer or public employee requesting:

- 5 (a) His appearance as a witness; or
6 (b) His production of any books and papers relating to the
7 request for an opinion.

8 4. Each written request submitted by the Executive Director
9 pursuant to subsection 3 must specify the time and place for the
10 attendance of the public officer or public employee or the
11 production of any books and papers, and designate with certainty
12 the books and papers requested, if any. If the public officer or public
13 employee fails or refuses to attend at the time and place specified or
14 produce the books and papers requested by the Executive Director
15 within 5 business days after receipt of the request, the Chairman
16 may issue the subpoena. ~~[Failure of the public officer or public
17 employee to comply with the written request of the Executive
18 Director constitutes good cause for extension of the time set forth in
19 subsections 3 and 4 of NRS 281.511.]~~

20 5. If any witness refuses to attend, testify or produce any books
21 and papers as required by the subpoena, the Chairman of the
22 Commission may report to the district court by petition, setting forth
23 that:

24 (a) Due notice has been given of the time and place of
25 attendance of the witness or the production of the books and papers;

26 (b) The witness has been subpoenaed by the Commission
27 pursuant to this section; and

28 (c) The witness has failed or refused to attend or produce the
29 books and papers required by the subpoena before the Commission,
30 or has refused to answer questions propounded to him, and asking
31 for an order of the court compelling the witness to attend and testify
32 or produce the books and papers before the Commission.

33 6. Except as otherwise provided in this subsection, upon such a
34 petition, the court shall enter an order directing the witness to appear
35 before the court at a time and place to be fixed by the court in its
36 order, the time to be not more than 10 days after the date of the
37 order, and then and there show cause why he has not attended,
38 testified or produced the books or papers before the Commission. If
39 the witness has been subpoenaed by the Commission in response to
40 a request for an opinion filed pursuant to NRS 294A.345 or
41 294A.346, the court shall direct the witness to appear before the
42 court as expeditiously as possible to allow the Commission to render
43 its opinion within the time required by NRS 281.477. A certified
44 copy of the order must be served upon the witness.



1 7. If it appears to the court that the subpoena was regularly
2 issued by the Commission, the court shall enter an order that the
3 witness appear before the Commission, at the time and place fixed
4 in the order, and testify or produce the required books and papers.
5 Upon failure to obey the order, the witness must be dealt with as for
6 contempt of court.

7 **Sec. 6.** NRS 281.481 is hereby amended to read as follows:
8 281.481 A code of ethical standards is hereby established to
9 govern the conduct of public officers and employees:

10 1. A public officer or employee shall not seek or accept any
11 gift, service, favor, employment, engagement, emolument or
12 economic opportunity which would tend improperly to influence a
13 reasonable person in his position to depart from the faithful and
14 impartial discharge of his public duties.

15 2. A public officer or employee shall not use his position in
16 government to secure or grant unwarranted privileges, preferences,
17 exemptions or advantages for himself [~~any member of his~~
18 ~~household, any business entity in which he has a significant~~
19 ~~pecuniary interest,]~~ or any [other] person. As used in this subsection,
20 “unwarranted” means without justification or adequate reason.

21 3. A public officer or employee shall not participate as an agent
22 of government in the negotiation or execution of a contract between
23 the government and any private business in which he has a
24 significant pecuniary interest.

25 4. A public officer or employee shall not accept any salary,
26 retainer, augmentation, expense allowance or other compensation
27 from any private source for the performance of his duties as a public
28 officer or employee.

29 5. If a public officer or employee acquires, through his public
30 duties or relationships, any information which by law or practice is
31 not at the time available to people generally, he shall not use the
32 information to further the pecuniary interests of himself or any other
33 person or business entity.

34 6. A public officer or employee shall not suppress any
35 governmental report or other document because it might tend to
36 affect unfavorably his pecuniary interests.

37 7. A public officer or employee, other than a member of the
38 Legislature, shall not use governmental time, property, equipment or
39 other facility to benefit his personal or financial interest. This
40 subsection does not prohibit:

41 (a) A limited use of governmental property, equipment or other
42 facility for personal purposes if:

43 (1) The public officer who is responsible for and has
44 authority to authorize the use of such property, equipment or other



1 facility has established a policy allowing the use or the use is
2 necessary as a result of emergency circumstances;

3 (2) The use does not interfere with the performance of his
4 public duties;

5 (3) The cost or value related to the use is nominal; and
6 (4) The use does not create the appearance of impropriety;

7 (b) The use of mailing lists, computer data or other information
8 lawfully obtained from a governmental agency which is available to
9 members of the general public for nongovernmental purposes; or

10 (c) The use of telephones or other means of communication if
11 there is not a special charge for that use.

12 If a governmental agency incurs a cost as a result of a use that is
13 authorized pursuant to this subsection or would ordinarily charge a
14 member of the general public for the use, the public officer or
15 employee shall promptly reimburse the cost or pay the charge to the
16 governmental agency.

17 8. A member of the Legislature shall not:

18 (a) Use governmental time, property, equipment or other facility
19 for a nongovernmental purpose or for the private benefit of himself
20 or any other person. This paragraph does not prohibit:

21 (1) A limited use of state property and resources for personal
22 purposes if:

23 (I) The use does not interfere with the performance of his
24 public duties;

25 (II) The cost or value related to the use is nominal; and
26 (III) The use does not create the appearance of
27 impropriety;

28 (2) The use of mailing lists, computer data or other
29 information lawfully obtained from a governmental agency which is
30 available to members of the general public for nongovernmental
31 purposes; or

32 (3) The use of telephones or other means of communication
33 if there is not a special charge for that use.

34 (b) Require or authorize a legislative employee, while on duty,
35 to perform personal services or assist in a private activity, except:

36 (1) In unusual and infrequent situations where the
37 employee's service is reasonably necessary to permit the Legislator
38 or legislative employee to perform his official duties; or

39 (2) Where such service has otherwise been established as
40 legislative policy.

41 9. A public officer or employee shall not attempt to benefit his
42 personal or financial interest through the influence of a subordinate.

43 10. A public officer or employee shall not seek other
44 employment or contracts through the use of his official position.



1 **Sec. 7.** NRS 281.501 is hereby amended to read as follows:
2 281.501 1. Except as otherwise provided in subsection 2 or 3,
3 a public officer may vote upon a matter if the benefit or detriment
4 accruing to him as a result of the decision either individually or in a
5 representative capacity as a member of a general business,
6 profession, occupation or group is not greater than that accruing to
7 any other member of the general business, profession, occupation or
8 group.
9 2. In addition to the requirements of the code of ethical
10 standards, a public officer shall not vote upon or advocate the
11 passage or failure of, but may otherwise participate in the
12 consideration of a matter with respect to which the independence of
13 judgment of a reasonable person in his situation would be materially
14 affected by:
15 (a) His acceptance of a gift or loan;
16 (b) His pecuniary interest; or
17 (c) His commitment in a private capacity to the interests of
18 others.
19 It must be presumed that the independence of judgment of a
20 reasonable person would not be materially affected by his pecuniary
21 interest or his commitment in a private capacity to the interests of
22 others where the resulting benefit or detriment accruing to him or to
23 the other persons whose interests to which the member is committed
24 in a private capacity is not greater than that accruing to any other
25 member of the general business, profession, occupation or group.
26 The presumption set forth in this subsection does not affect the
27 applicability of the requirements set forth in subsection 3 relating to
28 the disclosure of the pecuniary interest or commitment in a private
29 capacity to the interests of others.
30 3. A public officer or employee shall not approve, disapprove,
31 vote, abstain from voting or otherwise act upon any matter:
32 (a) Regarding which he has accepted a gift or loan;
33 (b) Which would reasonably be affected by his commitment in a
34 private capacity to the interest of others; or
35 (c) In which he has a pecuniary interest,
36 without disclosing sufficient information concerning the gift, loan,
37 commitment or interest to inform the public of the potential effect of
38 the action or abstention upon the person who provided the gift or
39 loan, upon the person to whom he has a commitment, or upon his
40 interest. Except as otherwise provided in subsection ~~6~~ 5, such a
41 disclosure must be made at the time the matter is considered. If the
42 officer or employee is a member of a body which makes decisions,
43 he shall make the disclosure in public to the Chairman and other
44 members of the body. If the officer or employee is not a member of
45 such a body and holds an appointive office, he shall make the



1 disclosure to the supervisory head of his organization or, if he holds
2 an elective office, to the general public in the area from which he is
3 elected. This subsection does not require a public officer to disclose
4 any campaign contributions that the public officer reported pursuant
5 to NRS 294A.120 or 294A.125 in a timely manner.

6 4. If a public officer declares to the body or committee in
7 which the vote is to be taken that he will abstain from voting
8 because of the requirements of this section, the necessary quorum to
9 act upon and the number of votes necessary to act upon the matter,
10 as fixed by any statute, ordinance or rule, is reduced as though the
11 member abstaining were not a member of the body or committee.

12 5. ~~If a public officer is voting on a matter which affects public~~
13 ~~employees, he shall make a full public disclosure of any personal~~
14 ~~pecuniary interest which he may have in the matter.~~

15 ~~—6.]~~ After a member of the Legislature makes a disclosure
16 pursuant to subsection 3, he may file with the Director of the
17 Legislative Counsel Bureau a written statement of his disclosure.
18 The written statement must designate the matter to which the
19 disclosure applies. After a Legislator files a written statement
20 pursuant to this subsection, he is not required to disclose orally his
21 interest when the matter is further considered by the Legislature or
22 any committee thereof. A written statement of disclosure is a public
23 record and must be made available for inspection by the public
24 during the regular office hours of the Legislative Counsel Bureau.

25 ~~[7.]~~ 6. The provisions of this section do not, under any
26 circumstances:

27 (a) Prohibit a member of the legislative branch from requesting
28 or introducing a legislative measure; or

29 (b) Require a member of the legislative branch to take any
30 particular action before or while requesting or introducing a
31 legislative measure.

32 ~~[8.]~~ 7. As used in this section, “commitment in a private
33 capacity to the interests of others” means a commitment to a person:

34 (a) Who is a member of his household;

35 (b) Who is related to him by blood, adoption or marriage within
36 the third degree of consanguinity or affinity;

37 (c) Who employs him or a member of his household;

38 (d) With whom he has a substantial and continuing business
39 relationship; or

40 (e) Any other commitment or relationship that is substantially
41 similar to a commitment or relationship described in this subsection.

42 **Sec. 8.** NRS 281.511 is hereby amended to read as follows:

43 281.511 1. The Commission shall render an opinion
44 interpreting the statutory ethical standards and apply the standards to
45 a given set of facts and circumstances upon request , *on a form*



1 *prescribed by the Commission*, from a public officer or employee
2 who is seeking guidance on questions which directly relate to the
3 propriety of his own past, present or future conduct as an officer or
4 employee. He may also request the Commission to hold a public
5 hearing regarding the requested opinion. If a requested opinion
6 relates to the propriety of his own present or future conduct, the
7 opinion of the Commission is:

- 8 (a) Binding upon the requester as to his future conduct; and
- 9 (b) Final and subject to judicial review pursuant to NRS
10 233B.130, except that a proceeding regarding this review must be
11 held in closed court without admittance of persons other than those
12 necessary to the proceeding, unless this right to confidential
13 proceedings is waived by the requester.

14 2. The Commission may render an opinion interpreting the
15 statutory ethical standards and apply the standards to a given set of
16 facts and circumstances:

- 17 (a) Upon request from a specialized or local ethics committee.
- 18 (b) Except as otherwise provided in this subsection, upon
19 request from a person, if the requester ~~is~~

20 ~~(1) Submits all] submits:~~

21 *(1) The request on a form prescribed by the Commission;*
22 *and*

23 *(2) All* related evidence deemed necessary by the Executive
24 Director and the panel to make a determination of whether there is
25 just and sufficient cause to render an opinion in the matter. ~~is and~~

26 ~~(2) Signs a statement on a form prescribed by the~~
27 ~~Commission in which he affirms that:~~

28 ~~(I) The accusation or information contained in the request~~
29 ~~is true;~~

30 ~~(II) He did not submit the request in bad faith or with a~~
31 ~~vexatious purpose; and~~

32 ~~(III) He understands that the Commission may impose~~
33 ~~penalties upon him pursuant to NRS 281.551 if the Commission~~
34 ~~determines that the accusation or information is false and was~~
35 ~~submitted in bad faith or with a vexatious purpose.]~~

36 (c) Upon the Commission's own motion regarding the propriety
37 of conduct by a public officer or employee. The Commission shall
38 not initiate proceedings pursuant to this paragraph based solely upon
39 an anonymous complaint.

40 The Commission shall not render an opinion interpreting the
41 statutory ethical standards or apply those standards to a given set of
42 facts and circumstances if the request is submitted by a person who
43 is incarcerated in a correctional facility in this state.

44 3. Upon receipt of a request for an opinion by the Commission
45 or upon the motion of the Commission pursuant to subsection 2, the



1 Executive Director shall investigate the facts and circumstances
2 relating to the request to determine whether there is just and
3 sufficient cause for the Commission to render an opinion in the
4 matter. The public officer or employee that is the subject of the
5 request may submit to the Executive Director any information
6 relevant to the request. ~~[The Executive Director shall complete an
7 investigation and present his recommendation relating to just and
8 sufficient cause to the panel within 15 days after the receipt of or the
9 motion of the Commission for the request, unless the panel extends
10 the time for a period not to exceed 30 days upon the request of the
11 Executive Director for good cause shown or the request of the
12 public officer or employee.]~~ If the Executive Director determines
13 after an investigation that just and sufficient cause exists for the
14 Commission to render an opinion in the matter, he shall state such a
15 recommendation in writing, including, without limitation, the
16 specific evidence that supports his recommendation. If, after an
17 investigation, the Executive Director does not determine that just
18 and sufficient cause exists for the Commission to render an opinion
19 in the matter, he shall state such a recommendation in writing,
20 including, without limitation, the specific reasons for his
21 recommendation. ~~[Within 15 days after]~~ *After* the Executive
22 Director has provided his recommendation in the matter to the
23 panel, the panel shall make a final determination regarding whether
24 just and sufficient cause exists for the Commission to render an
25 opinion in the matter. ~~[, unless the Commission extends the time for
26 a period not to exceed 30 days upon the request of the panel for
27 good cause shown or the request of the public officer or employee.]~~
28 The panel shall not determine that there is just and sufficient cause
29 for the Commission to render an opinion unless the panel has
30 provided the public officer or employee an opportunity to respond to
31 the allegations against him. The panel shall cause a record of its
32 proceedings in each matter to be kept, and such a record must
33 remain confidential until the panel determines whether there is just
34 and sufficient cause for the Commission to render an opinion in the
35 matter.

36 4. If the panel determines that just and sufficient cause exists
37 for the Commission to render an opinion requested pursuant to this
38 section, the Commission shall hold a hearing and render an opinion
39 in the matter. ~~[within 30 days after the determination of just and
40 sufficient cause by the panel, unless the Commission extends the
41 time for a period not to exceed 30 days for good cause shown or
42 upon the request of the public officer or employee.]~~

43 5. Each request for an opinion that a public officer or employee
44 submits to the Commission pursuant to subsection 1, each opinion
45 rendered by the Commission in response to such a request and any



1 motion, determination, evidence or record of a hearing relating to
2 such a request are confidential unless the public officer or employee
3 who requested the opinion:

4 (a) Acts in contravention of the opinion, in which case the
5 Commission may disclose the request for the opinion, the contents
6 of the opinion and any motion, evidence or record of a hearing
7 related thereto;

8 (b) Discloses the request for the opinion, the contents of the
9 opinion , or any motion, evidence or record of a hearing related
10 thereto; or

11 (c) Requests the Commission to disclose the request for the
12 opinion, the contents of the opinion , or any motion, evidence or
13 record of a hearing related thereto.

14 6. Except as otherwise provided in this subsection, each
15 document in the possession of the Commission or its staff that is
16 related to a request for an opinion regarding a public officer or
17 employee submitted to or initiated by the Commission pursuant to
18 subsection 2, including, without limitation, the Commission's copy
19 of the request and all materials and information gathered in an
20 investigation of the request, is confidential until the panel
21 determines whether there is just and sufficient cause to render an
22 opinion in the matter. The public officer or employee who is the
23 subject of a request for an opinion submitted or initiated pursuant to
24 subsection 2 may in writing authorize the Commission to make its
25 files, material and information which are related to the request
26 publicly available.

27 7. Except as otherwise provided in paragraphs (a) and (b), the
28 proceedings of a panel are confidential until the panel determines
29 whether there is just and sufficient cause to render an opinion. A
30 person who:

31 (a) Requests an opinion from the Commission pursuant to
32 paragraph (b) of subsection 2 may:

33 (1) At any time, reveal to a third party the alleged conduct of
34 a public officer or employee underlying the request that he filed
35 with the Commission or the substance of testimony, if any, that he
36 gave before the Commission.

37 (2) After the panel determines whether there is just and
38 sufficient cause to render an opinion in the matter, reveal to a third
39 party the fact that he requested an opinion from the Commission.

40 (b) Gives testimony before the Commission may:

41 (1) At any time, reveal to a third party the substance of
42 testimony that he gave before the Commission.

43 (2) After the panel determines whether there is just and
44 sufficient cause to render an opinion in the matter, reveal to a third
45 party the fact that he gave testimony before the Commission.



1 8. Whenever the Commission holds a hearing pursuant to this
2 section, the Commission shall:

3 (a) Notify the person about whom the opinion was requested of
4 the place and time of the Commission's hearing on the matter;

5 (b) Allow the person to be represented by counsel; and

6 (c) Allow the person to hear the evidence presented to the
7 Commission and to respond and present evidence on his own
8 behalf.

9 The Commission's hearing may be held no sooner than 10 days after
10 the notice is given unless the person agrees to a shorter time.

11 9. If a person who is not a party to a hearing before the
12 Commission, including, without limitation, a person who has
13 requested an opinion pursuant to paragraph (a) or (b) of subsection
14 2, wishes to ask a question of a witness at the hearing, the person
15 must submit the question to the Executive Director in writing. The
16 Executive Director may submit the question to the Commission if he
17 deems the question relevant and appropriate. This subsection does
18 not require the Commission to ask any question submitted by a
19 person who is not a party to the proceeding.

20 10. If a person who requests an opinion pursuant to subsection
21 1 or 2 does not:

22 (a) Submit all necessary information to the Commission; and

23 (b) Declare by oath or affirmation that he will testify
24 truthfully,
25 the Commission may decline to render an opinion.

26 11. For good cause shown, the Commission may take
27 testimony from a person by telephone or video conference.

28 12. For the purposes of NRS 41.032, the members of the
29 Commission and its employees shall be deemed to be exercising or
30 performing a discretionary function or duty when taking an action
31 related to the rendering of an opinion pursuant to this section.

32 13. A meeting or hearing that the Commission or the panel
33 holds to receive information or evidence concerning the propriety of
34 the conduct of a public officer or employee pursuant to this section
35 and the deliberations of the Commission and the panel on such
36 information or evidence are not subject to the provisions of chapter
37 241 of NRS.

38 **Sec. 9.** NRS 281.551 is hereby amended to read as follows:

39 281.551 1. In addition to any other penalty provided by law,
40 the Commission may impose on a public officer or employee or
41 former public officer or employee civil penalties:

42 (a) Not to exceed \$5,000 for a first willful violation of this
43 chapter;

44 (b) Not to exceed \$10,000 for a separate act or event that
45 constitutes a second willful violation of this chapter; and



- 1 (c) Not to exceed \$25,000 for a separate act or event that
2 constitutes a third willful violation of this chapter.
- 3 2. In addition to other penalties provided by law, the
4 Commission may impose a civil penalty not to exceed \$5,000 and
5 assess an amount equal to the amount of attorney's fees and costs
6 actually and reasonably incurred by the person about whom an
7 opinion was requested pursuant to NRS 281.511, against a person
8 who ~~is~~
9 ~~—(a) Submits to the Commission, in bad faith or with a vexatious~~
10 ~~purpose, an accusation or information that is false; or~~
11 ~~—(b) Prevents.] prevents,~~ interferes with or attempts to prevent or
12 interfere with the discovery or investigation of a violation of this
13 chapter.
- 14 3. If the Commission finds that a violation of a provision of
15 this chapter by a public officer or employee or former public officer
16 or employee has resulted in the realization by another person of a
17 financial benefit, the Commission may, in addition to other penalties
18 provided by law, require the current or former public officer or
19 employee to pay a civil penalty of not more than twice the amount
20 so realized.
- 21 4. In addition to any other penalty provided by law, by an
22 affirmative vote of two-thirds of the Commission, the Commission
23 may impose on any person who violates any provision of NRS
24 294A.345 or 294A.346 a civil penalty not to exceed \$5,000. The
25 Commission shall not impose a civil penalty for a violation of NRS
26 294A.345 unless the Commission has made the specific findings
27 required pursuant to subsection 7 of NRS 281.477.
- 28 5. If the Commission finds that:
29 (a) A willful violation of this chapter has been committed by a
30 public officer removable from office by impeachment only, it shall
31 file a report with the appropriate person responsible for commencing
32 impeachment proceedings as to its finding. The report must contain
33 a statement of the facts alleged to constitute the violation.
34 (b) A willful violation of this chapter has been committed by a
35 public officer removable from office pursuant to NRS 283.440, the
36 Commission may file a proceeding in the appropriate court for
37 removal of the officer.
38 (c) Three or more willful violations have been committed by a
39 public officer removable from office pursuant to NRS 283.440, the
40 Commission shall file a proceeding in the appropriate court for
41 removal of the officer.
- 42 6. An action taken by a public officer or employee or former
43 public officer or employee relating to NRS 281.481, 281.491,
44 281.501 or 281.505 is not a willful violation of a provision of those
45 sections if the public officer or employee:



1 (a) Relied in good faith upon the advice of the legal counsel
2 retained by the public body which the public officer represents or by
3 the employer of the public employee or upon the manual published
4 by the Commission pursuant to NRS 281.471;

5 (b) Was unable, through no fault of his own, to obtain an
6 opinion from the Commission before the action was taken; and

7 (c) Took action that was not contrary to a prior published
8 opinion issued by the Commission.

9 7. In addition to other penalties provided by law, a public
10 employee who willfully violates a provision of NRS 281.481,
11 281.491, 281.501 or 281.505 is subject to disciplinary proceedings
12 by his employer and must be referred for action in accordance to the
13 applicable provisions governing his employment.

14 8. NRS 281.481 to 281.541, inclusive, do not abrogate or
15 decrease the effect of the provisions of the Nevada Revised Statutes
16 which define crimes or prescribe punishments with respect to the
17 conduct of public officers or employees. If the Commission finds
18 that a public officer or employee has committed a willful violation
19 of this chapter which it believes may also constitute a criminal
20 offense, the Commission shall refer the matter to the Attorney
21 General or the district attorney, as appropriate, for a determination
22 of whether a crime has been committed that warrants prosecution.

23 9. The imposition of a civil penalty pursuant to subsections 1 to
24 4, inclusive, is a final decision for the purposes of judicial review.

25 10. ~~In determining for the purposes of this section whether a~~
26 ~~person submitted an accusation or information in bad faith or with a~~
27 ~~vexatious purpose, the Commission may consider various factors,~~
28 ~~including, without limitation:~~

29 ~~—(a) When the accusation or information was filed with or~~
30 ~~provided to the Commission;~~

31 ~~—(b) Whether and, if applicable, in what manner the person who~~
32 ~~submitted the accusation or information publicly disseminated the~~
33 ~~accusation or information before the Commission determined~~
34 ~~whether there was just and sufficient cause to render an opinion in~~
35 ~~the matter;~~

36 ~~—(c) Whether the accusation or information sets forth alleged~~
37 ~~facts or details that are misleading or deceptive; and~~

38 ~~—(d) Whether the accusation or information or the conduct of the~~
39 ~~person who submitted the accusation or information:~~

40 ~~—(1) Would be perceived as annoying or harassing by a~~
41 ~~reasonable person; or~~

42 ~~—(2) Demonstrates conscious disregard for the process and~~
43 ~~procedures established by the Commission.~~

44 ~~—11.]~~ A finding by the Commission that a public officer or
45 employee has violated any provision of this chapter must be



1 supported by a preponderance of the evidence unless a greater
2 burden is otherwise prescribed by law.

3 **Sec. 10.** NRS 281.561 is hereby amended to read as follows:

4 281.561 1. Except as otherwise provided in subsection 2 or 3,
5 if a candidate for public office or a public officer is entitled to
6 receive compensation for serving in the office in question, he shall
7 file with the Commission, and with the officer with whom
8 declarations of candidacy for the office in question are filed, a
9 statement of financial disclosure, as follows:

10 (a) A candidate for nomination, election or reelection to public
11 office shall file a statement of financial disclosure no later than the
12 10th day after the last day to qualify as a candidate for the office.

13 (b) A public officer appointed to fill the unexpired term of an
14 elected public officer shall file a statement of financial disclosure
15 within 30 days after his appointment.

16 (c) Every public officer, whether appointed or elected, shall file
17 a statement of financial disclosure on or before ~~March 31~~ **April 15**
18 of each year of the term, including the year the term expires.

19 (d) A public officer who leaves office on a date other than the
20 expiration of his term or anniversary of his appointment or election
21 ~~to~~ shall file a statement of financial disclosure within 60 days after
22 leaving office.

23 2. A statement filed pursuant to one of the paragraphs of
24 subsection 1 may be used to satisfy the requirements of another
25 paragraph of subsection 1 if the initial statement was filed not more
26 than 3 months before the other statement is required to be filed.

27 3. If a person is serving in a public office for which he is
28 required to file a statement pursuant to subsection 1, he may use the
29 statement he files for that initial office to satisfy the requirements of
30 subsection 1 for every other public office in which he is also
31 serving.

32 4. A person may satisfy the requirements of subsection 1 by
33 filing with the Commission a copy of a statement of financial
34 disclosure that was filed pursuant to the requirements of a
35 specialized or local ethics committee if the form of the statement has
36 been approved by the Commission.

37 5. A candidate for judicial office or a judicial officer shall file a
38 statement of financial disclosure pursuant to the requirements of
39 Canon 4I of the Nevada Code of Judicial Conduct. Such a statement
40 of financial disclosure must include, without limitation, all
41 information required to be included in a statement of financial
42 disclosure pursuant to NRS 281.571.

43 **Sec. 11.** NRS 281.571 is hereby amended to read as follows:

44 281.571 1. Statements of financial disclosure, as approved
45 pursuant to NRS 281.541 or in such form as the Commission



1 otherwise prescribes, must contain the following information
2 concerning the candidate for public office or public officer:

3 (a) His length of residence in the State of Nevada and the
4 ~~district~~ county in which he is registered to vote.

5 (b) Each source of his income, ~~for~~ and that of any member of
6 his household who is 18 years of age or older. No listing of
7 individual clients, customers or patients is required, but if that is the
8 case, a general source such as "professional services" must be
9 disclosed.

10 (c) A list of the specific location and particular use of real estate,
11 other than a personal residence:

12 (1) In which he or a member of his household has a legal or
13 beneficial interest;

14 (2) Whose fair market value is \$2,500 or more; and

15 (3) That is located in this state or an adjacent state.

16 (d) The name of each creditor to whom he or a member of his
17 household owes \$5,000 or more, except for:

18 (1) A debt secured by a mortgage or deed of trust of real
19 property which is not required to be listed pursuant to paragraph (c);
20 and

21 (2) A debt for which a security interest in a motor vehicle for
22 personal use was retained by the seller.

23 (e) If the candidate for public office or public officer has
24 received gifts in excess of an aggregate value of \$200 from a donor
25 during the preceding taxable year, a list of all such gifts, including
26 the identity of the donor and value of each gift, except:

27 (1) A gift received from a person who is related to the
28 candidate for public office or public officer within the third degree
29 of consanguinity or affinity.

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

34 (f) A list of each business entity with which he or a member of
35 his household is involved as a trustee, beneficiary of a trust,
36 director, officer, owner in whole or in part, limited or general
37 partner, or holder of a class of stock or security representing 1
38 percent or more of the total outstanding stock or securities issued by
39 the business entity.

40 (g) A list of all public offices presently held by him for which
41 this statement of financial disclosure is required.

42 2. The Commission shall distribute or cause to be distributed
43 the forms required for such a statement to each candidate for public
44 office and public officer who is required to file one. The
45 Commission is not responsible for the costs of producing or



1 distributing a form for filing statements of financial disclosure
2 which is prescribed pursuant to subsection 1 of NRS 281.541.

3 3. As used in this section:

4 (a) "Business entity" means an organization or enterprise
5 operated for economic gain, including a proprietorship, partnership,
6 firm, business, trust, joint venture, syndicate, corporation or
7 association.

8 (b) "Household" includes:

9 (1) The spouse of a candidate for public office or public
10 officer;

11 (2) A person who does not live in the same home or
12 dwelling, but who is dependent on and receiving substantial support
13 from the candidate for public office or public officer; and

14 (3) A person who lived in the home or dwelling of the
15 candidate for public office or public officer for 6 months or more in
16 the year immediately preceding the year in which the candidate for
17 public office or public officer files the statement of financial
18 disclosure.

19 **Sec. 12.** NRS 281.573 is hereby amended to read as follows:

20 281.573 1. Except as otherwise provided in subsection 2,
21 statements of financial disclosure required by the provisions of NRS
22 281.561 and 281.571 must be retained by the Commission,
23 Secretary of State, county clerk, *or registrar of voters of the county*
24 *if one was appointed pursuant to NRS 244.164*, and city clerk for
25 6 years after the date of filing.

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

30 **Sec. 13.** NRS 281.575 is hereby amended to read as follows:

31 281.575 The Secretary of State and each county *clerk, or the*
32 *registrar of voters of the county if one was appointed pursuant to*
33 *NRS 244.164*, or city clerk who receives from a candidate for public
34 office a declaration of candidacy, acceptance of candidacy or
35 certificate of candidacy shall give to the candidate the form
36 prescribed by the Commission for the making of a statement of
37 financial disclosure, accompanied by instructions on how to
38 complete the form, where it must be filed and the time by which it
39 must be filed.

40 **Sec. 14.** NRS 281.581 is hereby amended to read as follows:

41 281.581 1. A candidate for public office or public officer
42 who *willfully* fails to file his statement of financial disclosure *or*
43 *willfully fails to file his statement of financial disclosure* in a
44 timely manner pursuant to NRS 281.561 is subject to a civil penalty



1 and payment of court costs and attorney's fees. Except as otherwise
2 provided in subsection 3, the amount of the civil penalty is:

3 (a) If the statement is filed not more than ~~[7 days late, \$25 for~~
4 ~~each day the statement is late.]~~ *10 days after the applicable*
5 *deadline set forth in subsection 1 of NRS 281.561, \$25.*

6 (b) If the statement is filed more than ~~[7 days late]~~ *10 days* but
7 not more than ~~[15 days late, \$175 for the first 7 days, plus \$50 for~~
8 ~~each additional day the statement is late.]~~ *20 days after the*
9 *applicable deadline set forth in subsection 1 of NRS 281.561, \$50.*

10 (c) If the statement is filed more than ~~[15 days late, \$575 for the~~
11 ~~first 15 days, plus \$100 for each additional day the statement is~~
12 ~~late.]~~ *20 days but not more than 30 days after the applicable*
13 *deadline set forth in subsection 1 of NRS 281.561, \$100.*

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

17 (e) *If the statement is not filed or is filed more than 45 days*
18 *after the applicable deadline set forth in subsection 1 of NRS*
19 *281.561, \$2,000.*

20 2. The Commission may, for good cause shown, waive ~~for~~
21 ~~reduce~~ the civil penalty.

22 3. The civil penalty imposed for a violation of this section must
23 not exceed the annual compensation for the office for which the
24 statement was filed.

25 4. The civil penalty must be recovered in a civil action brought
26 in the name of the State of Nevada by the Commission in a court of
27 competent jurisdiction and deposited by the Commission in the
28 account for credit to the State General Fund in the bank designated
29 by the State Treasurer.

30 5. If the Commission waives a civil penalty pursuant to
31 subsection 2, the Commission shall:

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

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

37 **6.** *As used in this section, "willfully" means deliberately,*
38 *intentionally and knowingly.*

39 **Sec. 15.** NRS 281.437 and 281.525 are hereby repealed.

40 **Sec. 16.** This act becomes effective upon passage and
41 approval.



TEXT OF REPEALED SECTIONS

281.437 “Vexatious” defined. “Vexatious” means lacking justification and intended to harass.

281.525 Use of false or misleading statement regarding opinion of Commission; penalty.

1. It is unlawful for any person to make, use, publish or disseminate any statement which is known or through the exercise of reasonable care should be known to be false, deceptive or misleading in order to induce the Commission to render an opinion or to take any action related to the rendering of an opinion.

2. Any person who knowingly violates the provisions of subsection 1 is guilty of a misdemeanor.

3. The Commission shall inform the Attorney General or the district attorney of any case involving a violation of subsection 1.

