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To: Chairwoman Senator Barbara Cegavske and Members,
Senate Legislative Operations and Election Committee
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From: Craig Walton, President, and members,
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Date: May 2, 2007

Subject: Support for Amended AB 142

My name is Craig Walton, President of the Nevada Center for Public Ethics. We would like to offer our reasons for supporting the amended AB 142:

At least since the 1999 Clark County Ethics Task Force, appointed citizens have been asking for ethics workshops for city, county and state public officials. AB 142 provides for a select group of officials and also for those who lobby that select group on behalf of their clients or agencies, to take ethics workshops offered by the NV. Commission on Ethics (NCOE).

I refer to "those who lobby that select group", because discussions before the Assembly Elections, Procedures, Ethics & Constitutional Amendments Committee showed us that persons in Nevada's Executive Branch are also lobbyists, when their primary function is to lobby other departments in that branch, or to lobby legislators at every level. These lobbyists need to know our Ethics in Government rules just as well as we expect other lobbyists, and all elected officials, to know and implement those rules. For that reason, they too are included here, in Sec. 1, as needing a course on governmental ethics.

At Sec. 3.3, following on existing law in NRS 281.481, here NRS 281.501 also, now, includes acts of seeking, as well as acts of acceptance of gifts or loans, as constituting conflict of interest situations which must be disclosed (changes seen at p. 3, l. 34; p. 4, ll. 3, 18 24).

At the request of the NCOE, Sec. 3.7 gives us a 'cost of corruption adjustment', where fines for willful violations are doubled from their 1990's levels. This change moves us away from violation penalties as just 'the cost of doing business', and makes those violations harder to bear; we hope this change will catch the attention of those calculating the costs vs. the benefits of violating our ethics laws.

At Sec. 5, every lobbyist must file monthly reports while the Legislature is in session, and then quarterly reports when it is not in session. This introduces timeliness into the law, so that instead of reports coming in too late for anyone to use the information to make intelligent choices about whom to support or oppose, those reports would now show up in time for practical use by citizens, including all public officials.

Sec. 6 requires a new fee, to pay the cost of the NCOE's ethics course. This is calculated on a "pay as you go" basis, covering the NCOE's costs. Mr. Hearn can give an estimate of how many courses will be needed, north and south, to implement AB 142. My understanding from him is that this is a manageable task.

Secs. 8-31 are the Nevada Executive Department Lobbying Disclosure Act. It does not touch citizens who come to hearings or offices to make their own case for or against a ruling, but

only affects those who are paid to lobby on behalf of an agency or organization, ***and are working for policy outcomes*** - - not personal or family outcomes. Secs. 11 and 12 emphasize this point, so that the bill can not be read as regulating every person who speaks up for his or her cause to any public official. (Legal counsel are also exempted from AB 142 reporting). These objections were raised in the Assembly hearings, and Secs. 11, 12 & 15 (d) were amended accordingly.

Sec. 14 contains a vital change, brought forward by Dr. Joe Hardy – that a public officer should not be required to report as a “gift” the costs or expenses of events relating to his or her public office. At our 2nd Town Hall meeting, in January, it turned out that none of the legislators taking part had gone to a recent mining convention, though they must make policy about mining and have no expertise in that field, because their attendance would have to be reported as a “gift” and bring on the leering criticism that such a meeting is illegitimate, some kind of bribe. Nevadans want legislators to be informed about policy issues, and taking part in an event which contributes to that learning process should not be penalized. Sec. 14 allows this learning.

Sec. 18 defines what information must be included in a lobbyist’s registration, and Sec. 19 provides for terminating and re-instituting registration.

Sec. 21 requires 4 quarterly reports on their lobbying activities for that quarter, and 21/4 provides for auditing or investigation of these, in order to verify their contents. Secs. 22-31 provide for enforcement of these provisions, and Sec. 32 provides a timeline for those who lobby on behalf of a government agency, by which time one shall have completed ethics training.

I include as a handout, the Reno Gazette-Journal’s poll released this past Monday (and printed also in the Las Vegas Review-Journal) about strong Nevada public opinion support for more and better disclosure of campaign and lobbying expenditures, by whom and for whom or what. We have all heard that very few people in Nevada care about ethics issues. But our Nevada Center for Public Ethics Town Hall meetings (audio and video on our website, www.nevada-ethics.org), and now this statewide research poll, tell a different story. We here, today, are in a position to respond positively to Nevadans’ concerns, and AB 142 is a strong contribution.