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ASSEMBLY BILL NO. 201—ASSEMBLYMAN EDWARDS

PREFILED FEBRUARY 13, 2017

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Referred to Committee on Government Affairs

SUMMARY—Creates the Office of the Inspector General in the Office of Finance in the Office of the Governor. (BDR 18-548)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.  
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 governmental administration; creating the Office of the Inspector General in the Office of Finance in the Office of the Governor; setting forth the powers and duties of the Inspector General; requiring a state agency or local government to cooperate with and provide assistance to the Inspector General in carrying out those duties; transferring the Division of Internal Audits of the Office of Finance to the Office of the Inspector General; abolishing the Executive Branch Audit Committee; requiring certain investigators and inspectors employed by the Nevada Transportation Authority or the Taxicab Authority to be transferred to the Office of the Inspector General; requiring the Nevada Transportation Authority and the Taxicab Authority to transfer certain amounts to the Office of the Inspector General to pay the salaries and benefits of such investigators and inspectors; providing a penalty; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

- 1 Existing law creates the Office of Finance in the Office of the Governor
- 2 consisting of the Director of the Office, the Division of Internal Audits and the
- 3 Budget Division. (NRS 223.400) This bill creates the Office of the Inspector
- 4 General in the Office of Finance and moves the Division of Internal Audits of the
- 5 Office of Finance into the Office of the Inspector General. **Section 6** of this bill



\* A B 2 0 1 \*

6 provides that the Office of the Inspector General consists of the Inspector General,  
7 the Division of Internal Audits and any person employed in the Office of the  
8 Inspector General. **Section 6** also requires the Governor to appoint the Inspector  
9 General for a term of 4 years from a list of candidates submitted by the Legislative  
10 Commission. **Section 7** of this bill authorizes the Inspector General, within the  
11 limits of available money, to employ such persons as he or she deems necessary to  
12 provide an appropriate staff for the Office and to set salaries, benefits and  
13 conditions of employment for such persons. **Section 7** also provides that such  
14 persons are not in the classified or unclassified service of this State and serve at the  
15 pleasure of the Inspector General.

16 **Section 8** of this bill requires the Inspector General to: (1) investigate, audit  
17 and review the operation and management of each state agency and local  
18 government to determine whether any act or omission amounting to fraud, waste,  
19 abuse or corruption has occurred or may occur within that state agency or local  
20 government; and (2) perform any investigation, inspection or audit required or  
21 authorized to be performed by the Nevada Transportation Authority or the Taxicab  
22 Authority and provide the results of such an audit or investigation to the Nevada  
23 Transportation Authority or Taxicab Authority, as applicable. **Section 8** also  
24 requires the Inspector General to deposit any money collected from administrative  
25 fines imposed pursuant to this bill into the State General Fund. **Section 9** of this  
26 bill: (1) requires a state agency or local government, upon request by the Inspector  
27 General, to cooperate with and provide assistance to the Inspector General in  
28 carrying out his or her duties; (2) authorizes a law enforcement agency in this State  
29 to provide officers, staff and other assistance to the Inspector General in certain  
30 circumstances; and (3) authorizes the Inspector General to impose an administrative  
31 fine against any person who willfully resists, prevents, impedes or interferes in the  
32 performance of the duties of the Office of the Inspector General. **Section 10** of this  
33 bill authorizes the Inspector General to issue subpoenas. **Section 11** of this bill  
34 authorizes the Inspector General to pursue various remedies for fraud, waste, abuse  
35 or corruption that results or will result in the loss of a significant amount of public  
36 money. Specifically, **section 11** authorizes the Inspector General to, in certain  
37 circumstances involving fraud, waste, abuse or corruption: (1) summarily order a  
38 person to cease and desist in an activity that will imminently result in the loss of a  
39 significant amount of public money; (2) seek an injunction against activity that will  
40 result in the loss of a significant amount of public money or otherwise be harmful  
41 to the public; (3) refer an employee of a state agency or local government to a  
42 hearing officer for possible termination of his or her employment; (4) order the  
43 termination of a contract or prohibit the use of public money and apply to a court of  
44 competent jurisdiction to direct the repayment of the public money by the recipient;  
45 (5) apply to a court of competent jurisdiction to direct an employee of a state  
46 agency or local government to repay public money lost because of the employee's  
47 willful or malicious fraud, waste, abuse or corruption; (6) refer a case to the  
48 Attorney General for prosecution; and (7) in lieu of a referral to the Attorney  
49 General for prosecution, impose an administrative fine of not more than \$5,000.  
50 Under **section 11**, any money ordered to be repaid to a state agency or local  
51 government must be expeditiously repaid to the state agency or local government  
52 and, upon repayment, is authorized to be spent by the state agency or local  
53 government receiving the money. **Sections 12 and 18** of this bill provide for the  
54 confidentiality of any book, paper, report or other record received, prepared or  
55 maintained by the Inspector General and provide for the release of any such record  
56 under certain circumstances. **Section 13** of this bill requires the Inspector General  
57 to report biennially to the Legislature and to each meeting of the Interim Finance  
58 Committee regarding any fraud, waste, abuse or corruption that the Office  
59 discovers. **Sections 14-16 and 30-39** of this bill make changes regarding the move  
60 of the Division of Internal Audits from the Office of Finance to the Office of the



61 Inspector General and transfer oversight of the Division from the Director of the  
62 Office of Finance to the Inspector General. **Section 34** of this bill abolishes the  
63 Executive Branch Audit Committee and confers certain duties of the Committee  
64 upon the Office of the Inspector General.

65 **Sections 20-29, 41 and 42** of this bill prohibit a person who has been ordered  
66 to repay public money or has entered into a contract which was terminated for  
67 fraud, waste, abuse or corruption from bidding on or being awarded a contract for  
68 state or local purchasing or public works for 7 years after the date of the order or  
69 termination.

70 **Section 47** of this bill provides that on July 1, 2017, certain investigators and  
71 inspectors employed by the Nevada Transportation Authority and the Taxicab  
72 Authority are required to be transferred to and become employees of the Office of  
73 the Inspector General. **Section 19** of this bill provides that such investigators and  
74 inspectors are peace officers. **Sections 41, 43 and 44** of this bill require the Nevada  
75 Transportation Authority and the Taxicab Authority to transfer certain amounts  
76 necessary to pay the salaries and benefits of such investigators and inspectors.

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

1 **Section 1.** Chapter 223 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 13, inclusive, of this  
3 act.

4 **Sec. 2. *The Legislature:***

5 *1. Hereby finds and declares that the deterrence and*  
6 *elimination of fraud, waste, abuse and corruption within the*  
7 *government of this State and its local governments is of such*  
8 *critical importance that it requires the creation of the Office of the*  
9 *Inspector General to effectively and efficiently investigate, curtail*  
10 *and recommend changes to prevent fraud, waste, abuse and*  
11 *corruption.*

12 *2. Intends that the Inspector General should, while carrying*  
13 *out his or her duties pursuant to sections 2 to 13, inclusive, of this*  
14 *act, prioritize the investigation of state agencies and local*  
15 *governments with the largest budgets and greatest risks of fraud,*  
16 *waste, abuse and corruption to maximize the amount of public*  
17 *money that may be protected.*

18 **Sec. 3.** *As used in sections 2 to 13, inclusive, of this act,*  
19 *unless the context otherwise requires, the words and terms defined*  
20 *in sections 4 and 5 of this act have the meanings ascribed to them*  
21 *in those sections.*

22 **Sec. 4.** *“Local government” means any political subdivision*  
23 *of this State, including, without limitation, any county, city, town,*  
24 *board, airport authority, regional transportation commission, fire*  
25 *protection district, irrigation district, school district or other*  
26 *special district that performs a governmental function.*



1       **Sec. 5.** *“State agency” means any board, commission,*  
2 *department, division, officer or employee in the Executive*  
3 *Department of the State Government.*

4       **Sec. 6.** *1. The Office of the Inspector General is hereby*  
5 *created in the Office of Finance. The Office of the Inspector*  
6 *General consists of the Inspector General, the Division of Internal*  
7 *Audits and any person employed in the Office of the Inspector*  
8 *General.*

9       *2. The Governor shall appoint the Inspector General for a*  
10 *term of 4 years, and until a successor is appointed and qualified,*  
11 *from a list of three candidates submitted by the Legislative*  
12 *Commission. If the candidates so listed are unsatisfactory to the*  
13 *Governor, he or she may, until satisfied, request an additional list*  
14 *of candidates. The Inspector General may be reappointed, and the*  
15 *Legislative Commission shall include the incumbent Inspector*  
16 *General on its list of candidates unless the Legislative Commission*  
17 *determines that the incumbent should not be recommended for*  
18 *reappointment for cause, including, without limitation,*  
19 *inefficiency, neglect of duty or malfeasance in office. A vacancy in*  
20 *the Office must be filled in the same manner as the original*  
21 *appointment.*

22       **3. The Inspector General:**

23       *(a) Is in the unclassified service of the State.*

24       *(b) Shall devote his or her entire time and attention to the*  
25 *business of his or her office and shall not engage in any other*  
26 *gainful employment or occupation.*

27       **Sec. 7.** *1. In addition to the Administrator of the Division*  
28 *of Internal Audits and the Manager of Internal Controls of the*  
29 *Division of Internal Audits, the Inspector General may, within the*  
30 *limits of available money, employ such persons as he or she deems*  
31 *necessary to provide an appropriate staff for the Office of the*  
32 *Inspector General. Any such employees are not in the classified or*  
33 *unclassified service of the State and serve at the pleasure of the*  
34 *Inspector General.*

35       **2. The Inspector General shall:**

36       *(a) Determine the salaries and benefits of the persons*  
37 *employed pursuant to subsection 1, within the limits of money*  
38 *available for that purpose; and*

39       *(b) Adopt such rules and policies as he or she deems*  
40 *appropriate to establish the duties and employment rights of the*  
41 *persons employed pursuant to subsection 1.*

42       **Sec. 8. The Inspector General shall:**

43       **1.** *Investigate, audit and review the operation and*  
44 *management of each state agency and local government to*  
45 *determine whether any act or omission amounting to fraud, waste,*



1 *abuse or corruption has occurred or may occur within that state*  
2 *agency or local government;*

3 2. *Perform any investigation, inspection or audit required or*  
4 *authorized to be performed by the Nevada Transportation*  
5 *Authority or the Taxicab Authority pursuant to chapter 706 or*  
6 *706A of NRS. The results of any such investigation, inspection or*  
7 *audit must be provided to the Nevada Transportation Authority*  
8 *or Taxicab Authority, as applicable.*

9 3. *Upon request by the Governor, but not less often than*  
10 *quarterly, submit a report to the Governor setting forth any*  
11 *findings and conclusions relating to an investigation, audit or*  
12 *review specified in subsection 1 and any suggested corrective or*  
13 *remedial actions, including, without limitation, increased*  
14 *oversight, carrying out or modifying any controls for internal*  
15 *management, termination of employment or referral to the*  
16 *Commission on Ethics or the Attorney General when appropriate;*

17 4. *Establish a program for receiving, reviewing and*  
18 *investigating any complaint submitted to the Inspector General*  
19 *concerning any fraud, waste, abuse or corruption within any state*  
20 *agency or local government and referral of those complaints to the*  
21 *appropriate state agency or entity of a local government;*

22 5. *Identify any other state agency or entity of a local*  
23 *government that is responsible for investigating, auditing or*  
24 *reviewing the operation and management of a state agency or*  
25 *local government, including, without limitation, the Inspector*  
26 *General of the Department of Corrections, and coordinate with*  
27 *those state agencies and local governments to share information*  
28 *and avoid any duplication of activities;*

29 6. *Deposit all money collected from administrative fines*  
30 *imposed pursuant to sections 2 to 13, inclusive, of this act in the*  
31 *State General Fund.*

32 7. *Adopt regulations to carry out the provisions of sections 2*  
33 *to 13, inclusive, of this act; and*

34 8. *Perform any other task relating to his or her duties as he*  
35 *or she determines is necessary.*

36 **Sec. 9.** 1. *Upon request by the Inspector General, each*  
37 *state agency and local government and any employee of a state*  
38 *agency or local government shall cooperate with and provide*  
39 *assistance to the Inspector General in carrying out the provisions*  
40 *of sections 2 to 13, inclusive, of this act and shall, to the greatest*  
41 *extent practicable, ensure that the premises, equipment,*  
42 *employees, books, papers and other records of the state agency or*  
43 *local government are available for use by the Inspector General in*  
44 *carrying out those provisions.*



1       2. *To the extent that money is available for that purpose, any*  
2 *law enforcement agency in this State may, upon request by the*  
3 *Inspector General, provide officers, staff and any other assistance*  
4 *to the Inspector General in carrying out the provisions of sections*  
5 *2 to 13, inclusive, of this act.*

6       3. *The Inspector General may impose an administrative fine*  
7 *of not less than \$500 but not more than \$25,000 against any*  
8 *person who willfully resists, prevents, impedes or interferes with*  
9 *the Inspector General or any employee of the Office of the*  
10 *Inspector General in the performance of the duties of the Office of*  
11 *the Inspector General.*

12       **Sec. 10.** 1. *In carrying out the provisions of sections 2 to*  
13 *13, inclusive, of this act, the Inspector General may subpoena the*  
14 *attendance of witnesses or the production of books, papers and*  
15 *documents, including, without limitation, electronic books, papers*  
16 *and documents.*

17       2. *If any person refuses to obey a subpoena issued by the*  
18 *Inspector General, the Inspector General may present a petition to*  
19 *the district court of the county in which the person resides, setting*  
20 *forth the facts, and thereupon the court, in a proper case, shall*  
21 *issue its subpoena to the person requiring his or her attendance*  
22 *before the court to testify or to produce books, papers and*  
23 *documents, including, without limitation, electronic books, papers*  
24 *and documents.*

25       3. *Any person failing or refusing to obey the subpoena of a*  
26 *district court may be proceeded against in the same manner as for*  
27 *a refusal to obey any other order of the court.*

28       **Sec. 11.** 1. *If an investigation by the Office of the Inspector*  
29 *General determines that, as a result of fraud, waste, abuse or*  
30 *corruption, a state agency or local government is engaged in an*  
31 *activity that will imminently result in the loss of a significant*  
32 *amount of public money, the Inspector General may summarily*  
33 *order the person responsible for the activity to cease and desist. If*  
34 *the Inspector General issues such an order, the Inspector General*  
35 *shall apply for an injunction against the activity pursuant to*  
36 *subsection 2 not later than 30 days after the date on which the*  
37 *Inspector General issues the summary order to cease and desist.*

38       2. *In addition to any other remedy provided by law, the*  
39 *Inspector General may apply to any court of competent*  
40 *jurisdiction to enjoin any activity that, as a result of fraud, waste,*  
41 *abuse or corruption, will result in the loss of a significant amount*  
42 *of public money or otherwise be harmful to the public.*

43       3. *If an investigation by the Office of the Inspector General*  
44 *determines that an employee of a state agency or local government*  
45 *is responsible for fraud, waste, abuse or corruption that has*



1 *resulted or will result in the loss of a significant amount of public*  
2 *money, the Inspector General may refer the case to a hearing*  
3 *officer appointed by the Hearings Division of the Department of*  
4 *Administration. If the hearing officer determines that the*  
5 *allegation of fraud, waste, abuse or corruption resulting in the loss*  
6 *of a significant amount of public money is substantiated, the*  
7 *hearing officer shall order the termination of the person's*  
8 *employment.*

9 4. *If an investigation by the Office of the Inspector General*  
10 *determines that a contract was entered into by a state agency or*  
11 *local government or public money was otherwise obligated to be*  
12 *spent as a result of fraud, waste, abuse or corruption that has*  
13 *resulted or will result in the loss of a significant amount of public*  
14 *money, the Inspector General may:*

15 (a) *Order the termination of the contract or the prohibition of*  
16 *that use of public money. The state agency or local government*  
17 *affected by the order or the person who received or would receive*  
18 *public money pursuant to the contract or use may appeal the order*  
19 *to a hearing officer appointed by the Hearings Division of the*  
20 *Department of Administration. If the hearing officer finds that*  
21 *the determination by the Inspector General is substantiated, the*  
22 *hearing officer shall uphold the termination of the contract or the*  
23 *prohibition of the use of public money.*

24 (b) *Apply to a court of competent jurisdiction for an order*  
25 *directing the person who received public money pursuant to the*  
26 *contract or use of the public money to repay the state agency or*  
27 *local government the full amount of public money spent as a*  
28 *result of the fraud, waste, abuse or corruption.*

29 5. *If an investigation by the Office of the Inspector General*  
30 *determines that an employee of a state agency or local government*  
31 *has willfully or maliciously engaged in fraud, waste, abuse or*  
32 *corruption that has resulted or will result in the loss of a*  
33 *significant amount of public money, the Inspector General may*  
34 *apply to a court of competent jurisdiction for an order directing*  
35 *the employee to repay to the state agency or local government the*  
36 *full amount of public money lost because of the fraud, waste,*  
37 *abuse or corruption by the employee. Any money ordered to be*  
38 *repaid to a state agency or local government pursuant to this*  
39 *subsection must be repaid to the state agency or local government*  
40 *as expeditiously as possible, and is hereby authorized for*  
41 *expenditure by the state agency or local government being repaid.*

42 6. *If an investigation by the Office of the Inspector General*  
43 *determines that an employee of a state agency or local government*  
44 *is responsible for fraud, waste, abuse or corruption that has*



1 *resulted or will result in the loss of a significant amount of public*  
2 *money, the Inspector General may:*

3 *(a) Refer the case to the Attorney General for prosecution; or*

4 *(b) If the Inspector General finds that the fraud, waste, abuse*  
5 *or corruption does not rise to a level that merits the expenditure of*  
6 *the State's resources for prosecution, impose an administrative*  
7 *fine of not more than \$5,000 against the employee.*

8 *7. Except as otherwise provided in this subsection, the*  
9 *Attorney General shall investigate each case referred by the*  
10 *Inspector General pursuant to subsection 6 and, if the Attorney*  
11 *General determines that a violation of the laws of this State has*  
12 *occurred, cause the prosecution of the responsible party for that*  
13 *violation. The Attorney General may decline to investigate a case*  
14 *or cause the prosecution of a responsible party if:*

15 *(a) The Attorney General determines that he or she lacks the*  
16 *resources to investigate a case or cause the prosecution of a*  
17 *responsible party;*

18 *(b) The Attorney General notifies the Inspector General of the*  
19 *amount of money required; and*

20 *(c) The Inspector General:*

21 *(1) Requests an allocation from the Contingency Account*  
22 *in the State General Fund pursuant to NRS 353.266, 353.268 and*  
23 *353.269 on behalf of the Attorney General to defray the costs of*  
24 *the investigation or prosecution and the request is denied by the*  
25 *State Board of Examiners or the Interim Finance Committee; or*

26 *(2) Declines to request an allocation from the Contingency*  
27 *Account in the State General Fund pursuant to NRS 353.266,*  
28 *353.268 and 353.269.*

29 *8. The remedies and penalties provided by this section are*  
30 *cumulative and do not abrogate and are in addition to any other*  
31 *remedies and penalties that may exist at law or in equity.*

32 **Sec. 12.** *Any book, paper, report or other record, including,*  
33 *without limitation, an electronic record, received, prepared or*  
34 *maintained by the Inspector General pursuant to sections 2 to 13,*  
35 *inclusive, of this act is confidential, except that the Inspector*  
36 *General:*

37 *1. Shall release any such record when subpoenaed by a court*  
38 *of competent jurisdiction or when required pursuant to*  
39 *NRS 239.0115;*

40 *2. Shall make any such record available to the Legislative*  
41 *Auditor upon his or her request; and*

42 *3. May make any such record available for inspection by an*  
43 *authorized representative of any other state agency or local*  
44 *government for a matter officially before him or her.*





1     **Sec. 13. *The Inspector General shall submit a report:***

2     ***1. Summarizing all instances of fraud, waste, abuse or***  
3 ***corruption that the Office of the Inspector General has discovered***  
4 ***since the immediately preceding session of the Legislature and***  
5 ***setting forth recommendations for any changes to the laws of this***  
6 ***State that the Inspector General reasonably believes are necessary***  
7 ***to prevent such instances to the Director of the Legislative***  
8 ***Counsel Bureau, on or before January 1 of each odd-numbered***  
9 ***year, for transmittal to the next regular session of the Legislature.***

10    ***2. To each meeting of the Interim Finance Committee***  
11 ***identifying any instances of fraud, waste, abuse or corruption that***  
12 ***have occurred since the immediately preceding meeting of the***  
13 ***Interim Finance Committee.***

14     **Sec. 14.** NRS 223.400 is hereby amended to read as follows:

15     223.400 1. The Office of Finance is hereby created in the  
16 Office of the Governor.

17     2. The Office of Finance consists of a Director and the  
18 following:

19     (a) The Budget Division; and

20     (b) The ~~Division~~ **Office** of ~~Internal Audits~~ **the Inspector**  
21 **General.**

22     **Sec. 15.** NRS 223.420 is hereby amended to read as follows:

23     223.420 The Director of the Office of Finance is responsible  
24 for the administration, through the divisions of the Office, of the  
25 provisions of NRS 235.005 to 235.016, inclusive, 353.150 to  
26 353.246, inclusive, and 353A.031 to 353A.100, inclusive, **and**  
27 **sections 2 to 13, inclusive, of this act**, and all other provisions of  
28 law relating to the functions of the divisions of the Office.

29     **Sec. 16.** NRS 223.440 is hereby amended to read as follows:

30     223.440 1. The ~~Director of the Office of Finance~~ **Inspector**  
31 **General** shall appoint the Administrator of the Division of Internal  
32 Audits.

33     2. The Administrator of the Division of Internal Audits of the  
34 Office of ~~Finance~~ **the Inspector General** serves at the pleasure of  
35 the ~~Director~~ **Inspector General** and is in the unclassified service of  
36 the State.

37     **Sec. 17.** NRS 223.450 is hereby amended to read as follows:

38     223.450 1. Unless federal law or regulation otherwise  
39 requires, the Chief of the Budget Division and the Administrator of  
40 the Division of Internal Audits may appoint a Deputy and a Chief  
41 Assistant in the unclassified service of the State, who shall not  
42 engage in any other gainful employment or occupation except as  
43 otherwise provided in NRS 284.143.

44     2. Except as otherwise provided in subsection 1 and NRS  
45 223.410, 223.430 and 223.440, **and sections 6 and 7 of this act**,



1 employees of the Office of Finance are in the classified service of  
2 the State.

3 **Sec. 18.** NRS 239.010 is hereby amended to read as follows:

4 239.010 1. Except as otherwise provided in this section and  
5 NRS 1.4683, 1.4687, 1A.110, 41.071, 49.095, 62D.420, 62D.440,  
6 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320,  
7 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246,  
8 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355,  
9 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730,  
10 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260,  
11 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370,  
12 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161,  
13 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817,  
14 130.312, 130.712, 136.050, 159.044, 172.075, 172.245, 176.015,  
15 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715,  
16 178.5691, 179.495, 179A.070, 179A.165, 179A.450, 179D.160,  
17 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651,  
18 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040,  
19 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350,  
20 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270,  
21 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300,  
22 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140,  
23 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020,  
24 241.030, 241.039, 242.105, 244.264, 244.335, 250.087, 250.130,  
25 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195,  
26 281A.350, 281A.440, 281A.550, 284.4068, 286.110, 287.0438,  
27 289.025, 289.080, 289.387, 289.830, 293.5002, 293.503, 293.558,  
28 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335,  
29 338.070, 338.1379, 338.16925, 338.1725, 338.1727, 348.420,  
30 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100,  
31 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610,  
32 365.138, 366.160, 368A.180, 372A.080, 378.290, 378.300, 379.008,  
33 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259,  
34 388.501, 388.503, 388.513, 388.750, 391.035, 392.029, 392.147,  
35 392.264, 392.271, 392.850, 394.167, 394.1698, 394.447, 394.460,  
36 394.465, 396.3295, 396.405, 396.525, 396.535, 398.403, 408.3885,  
37 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749,  
38 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872,  
39 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430,  
40 432B.560, 433.534, 433A.360, 439.840, 439B.420, 440.170,  
41 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665,  
42 445B.570, 449.209, 449.245, 449.720, 450.140, 453.164, 453.720,  
43 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866,  
44 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240,  
45 463.3403, 463.3407, 463.790, 467.1005, 480.365, 481.063, 482.170,



1 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070,  
2 485.316, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655,  
3 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070,  
4 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315,  
5 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110,  
6 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230,  
7 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336,  
8 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301,  
9 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085,  
10 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075,  
11 640A.220, 640B.730, 640C.400, 640C.745, 640C.760, 640D.190,  
12 640E.340, 641.090, 641A.191, 641B.170, 641C.760, 642.524,  
13 643.189, 644.446, 645.180, 645.625, 645A.050, 645A.082,  
14 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135,  
15 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945,  
16 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110,  
17 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310,  
18 671.170, 673.430, 675.380, 676A.340, 676A.370, 677.243,  
19 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690,  
20 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873,  
21 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115,  
22 687C.010, 688C.230, 688C.480, 688C.490, 692A.117, 692C.190,  
23 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615,  
24 696B.550, 703.196, 704B.320, 704B.325, 706.1725, 706A.230,  
25 710.159, 711.600, *and section 12 of this act*, sections 35, 38 and 41  
26 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter  
27 391, Statutes of Nevada 2013 and unless otherwise declared by law  
28 to be confidential, all public books and public records of a  
29 governmental entity must be open at all times during office hours to  
30 inspection by any person, and may be fully copied or an abstract or  
31 memorandum may be prepared from those public books and public  
32 records. Any such copies, abstracts or memoranda may be used to  
33 supply the general public with copies, abstracts or memoranda of the  
34 records or may be used in any other way to the advantage of the  
35 governmental entity or of the general public. This section does not  
36 supersede or in any manner affect the federal laws governing  
37 copyrights or enlarge, diminish or affect in any other manner the  
38 rights of a person in any written book or record which is  
39 copyrighted pursuant to federal law.

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

42 3. A governmental entity that has legal custody or control of a  
43 public book or record shall not deny a request made pursuant to  
44 subsection 1 to inspect or copy or receive a copy of a public book or  
45 record on the basis that the requested public book or record contains



1 information that is confidential if the governmental entity can  
2 redact, delete, conceal or separate the confidential information from  
3 the information included in the public book or record that is not  
4 otherwise confidential.

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

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

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

17 **Sec. 19.** NRS 289.470 is hereby amended to read as follows:

18 289.470 "Category II peace officer" means:

19 1. The bailiffs of the district courts, justice courts and  
20 municipal courts whose duties require them to carry weapons and  
21 make arrests;

22 2. Subject to the provisions of NRS 258.070, constables and  
23 their deputies;

24 3. Inspectors employed by the ~~Nevada Transportation~~  
25 ~~Authority]~~ *Office of the Inspector General created by section 6 of*  
26 *this act* who ~~exercise those powers of enforcement conferred by~~  
27 ~~chapters 706 and 712 of NRS;]~~ *perform investigations, inspections*  
28 *or audits pursuant to subsection 2 of section 8 of this act.*

29 4. Special investigators who are employed full-time by the  
30 office of any district attorney or the Attorney General;

31 5. Investigators of arson for fire departments who are specially  
32 designated by the appointing authority;

33 6. The brand inspectors of the State Department of Agriculture  
34 who exercise the powers of enforcement conferred by chapter 565  
35 of NRS;

36 7. The field agents and inspectors of the State Department of  
37 Agriculture who exercise the powers of enforcement conferred by  
38 NRS 561.225;

39 8. Investigators for the State Forester Firewarden who are  
40 specially designated by the State Forester Firewarden and whose  
41 primary duties are related to the investigation of arson;

42 9. School police officers employed by the board of trustees of  
43 any county school district;

44 10. Agents of the Nevada Gaming Control Board who exercise  
45 the powers of enforcement specified in NRS 289.360, 463.140 or



1 463.1405, except those agents whose duties relate primarily to  
2 auditing, accounting, the collection of taxes or license fees, or the  
3 investigation of applicants for licenses;

4 11. Investigators and administrators of the Division of  
5 Compliance Enforcement of the Department of Motor Vehicles who  
6 perform the duties specified in subsection 2 of NRS 481.048;

7 12. Officers and investigators of the Section for the Control of  
8 Emissions From Vehicles and the Enforcement of Matters Related  
9 to the Use of Special Fuel of the Department of Motor Vehicles who  
10 perform the duties specified in subsection 3 of NRS 481.0481;

11 13. Legislative police officers of the State of Nevada;

12 14. Parole counselors of the Division of Child and Family  
13 Services of the Department of Health and Human Services;

14 15. Juvenile probation officers and deputy juvenile probation  
15 officers employed by the various judicial districts in the State of  
16 Nevada or by a department of juvenile justice services established  
17 by ordinance pursuant to NRS 62G.210 whose official duties require  
18 them to enforce court orders on juvenile offenders and make arrests;

19 16. Field investigators ~~of the Taxicab Authority;~~ *employed by*  
20 *the Office of the Inspector General created by section 6 of this act;*

21 17. Security officers employed full-time by a city or county  
22 whose official duties require them to carry weapons and make  
23 arrests;

24 18. The chief of a department of alternative sentencing created  
25 pursuant to NRS 211A.080 and the assistant alternative sentencing  
26 officers employed by that department;

27 19. Criminal investigators who are employed by the Secretary  
28 of State; and

29 20. The Inspector General of the Department of Corrections  
30 and any person employed by the Department as a criminal  
31 investigator.

32 **Sec. 20.** Chapter 332 of NRS is hereby amended by adding  
33 thereto a new section to read as follows:

34 *A governing body or its authorized representative shall, for not*  
35 *more than 7 years after the date of the order or termination, refuse*  
36 *to accept a bid from and refuse to award a contract to:*

37 1. *A person, and the partners, officers, directors or members*  
38 *of the board of trustees, if any, of that person, who has entered*  
39 *into a contract that was terminated or who has been ordered to*  
40 *repay public money pursuant to subsection 4 or 5 of section 11 of*  
41 *this act; and*

42 2. *A person who has a partner, officer, director or member of*  
43 *its board of trustees, if any, who served as a partner, officer,*  
44 *director or member of the board of trustees of a person described*  
45 *in subsection 1.*



1     **Sec. 21.** NRS 332.810 is hereby amended to read as follows:

2     332.810 1. Before a contract is awarded, a person who has  
3 bid on the contract or an officer, employee, representative, agent or  
4 consultant of such a person shall not:

5     (a) Make an offer or promise of future employment or business  
6 opportunity to, or engage in a discussion of future employment or  
7 business opportunity with, an evaluator or member of the governing  
8 body offering the contract;

9     (b) Offer, give or promise to offer or give money, a gratuity or  
10 any other thing of value to an evaluator or member of the governing  
11 body offering the contract; or

12     (c) Solicit or obtain from an officer, employee or member of the  
13 governing body offering the contract:

14         (1) Any proprietary information regarding the contract; or

15         (2) Any information regarding a bid on the contract  
16 submitted by another person, unless such information is available to  
17 the general public.

18     2. *A person described in section 20 of this act shall not  
19 provide a bid or proposal on a contract if he or she knows or  
20 should have known that the bid must not be accepted or the  
21 proposed contract must not be awarded pursuant to section 20 of  
22 this act.*

23     3. A person who violates any of the provisions of subsection 1  
24 or 2 is guilty of a gross misdemeanor and shall be punished by  
25 imprisonment in the county jail for not more than 364 days, or by a  
26 fine of not less than \$2,000 nor more than \$50,000, or by both fine  
27 and imprisonment.

28     **Sec. 22.** Chapter 333 of NRS is hereby amended by adding  
29 thereto a new section to read as follows:

30     *The Administrator shall, for not more than 7 years after the  
31 date of the order or termination, refuse to accept a bid from and  
32 refuse to award a contract to:*

33     1. *A person, and the partners, officers, directors or members  
34 of the board of trustees, if any, of that person, who has been  
35 ordered to repay public money or who has entered into a contract  
36 which was terminated pursuant to subsection 4 or 5 of section 11  
37 of this act; and*

38     2. *A person who has a partner, officer, director or member of  
39 its board of trustees, if any, who served as a partner, officer,  
40 director or member of the board of trustees of a person described  
41 in subsection 1.*

42     **Sec. 23.** NRS 333.800 is hereby amended to read as follows:

43     333.800 1. Before a contract is awarded, a person who has  
44 provided a bid or proposal on the contract or an officer, employee,  
45 representative, agent or consultant of such a person shall not:



1 (a) Make an offer or promise of future employment or business  
2 opportunity to, or engage in a discussion of future employment or  
3 business opportunity with, the Administrator, a purchasing officer or  
4 an employee of the using agency for which the contract is being  
5 offered;

6 (b) Offer, give or promise to offer or give money, a gratuity or  
7 any other thing of value to the Administrator, a purchasing officer or  
8 an employee of the using agency for which the contract is being  
9 offered; or

10 (c) Solicit or obtain from the Administrator, a purchasing officer  
11 or an employee of the using agency for which the contract is being  
12 offered:

13 (1) Any proprietary information regarding the contract; or

14 (2) Any information regarding a bid or proposal on the  
15 contract submitted by another person, unless such information is  
16 available to the general public.

17 2. *A person described in section 22 of this act shall not*  
18 *provide a bid or proposal on a contract if he or she knows or*  
19 *should have known that the bid must not be accepted or the*  
20 *proposed contract must not be awarded pursuant to section 22 of*  
21 *this act.*

22 3. A person who violates any of the provisions of subsection 1  
23 or 2 is guilty of a gross misdemeanor and shall be punished by  
24 imprisonment in the county jail for not more than 364 days, or by a  
25 fine of not less than \$2,000 nor more than \$50,000, or by both fine  
26 and imprisonment.

27 **Sec. 24.** Chapter 338 of NRS is hereby amended by adding  
28 thereto the provisions set forth as sections 25 and 26 of this act.

29 **Sec. 25.** *A public body or its authorized representative shall,*  
30 *for not more than 7 years after the date of the order or*  
31 *termination, refuse to accept a bid from and refuse to award a*  
32 *contract to:*

33 1. *A person, and the partners, officers, directors or members*  
34 *of the board of trustees, if any, of that person, who has entered*  
35 *into a contract that was terminated or who has been ordered to*  
36 *repay public money or who has entered into a contract which was*  
37 *terminated pursuant to subsection 4 or 5 of section 11 of this act;*  
38 *and*

39 2. *A person who has a partner, officer, director or member of*  
40 *its board of trustees, if any, who served as a partner, officer,*  
41 *director or member of the board of trustees of a person described*  
42 *in subsection 1.*

43 **Sec. 26.** 1. *A person described in section 25 of this act shall*  
44 *not bid on a contract for a public work if he or she knows or*



1 *should have known that the bid must not be awarded pursuant to*  
2 *section 25 of this act.*

3 *2. A person who violates the provisions of subsection 1 is*  
4 *guilty of a gross misdemeanor and shall be punished by*  
5 *imprisonment in the county jail for not more than 364 days, or by*  
6 *a fine of not less than \$2,000 or more than \$50,000, or by both*  
7 *fine and imprisonment.*

8 **Sec. 27.** NRS 338.1375 is hereby amended to read as follows:

9 338.1375 1. The Division shall not accept a bid on a contract  
10 for a public work unless the contractor who submits the bid has  
11 qualified pursuant to NRS 338.1379 to bid on that contract.

12 2. The State Public Works Board shall by regulation adopt  
13 criteria for the qualification of bidders on contracts for public works  
14 of this State. The criteria adopted by the State Public Works Board  
15 pursuant to this section must be used by the Division to determine  
16 the qualification of bidders on contracts for public works of this  
17 State.

18 3. The criteria adopted by the State Public Works Board  
19 pursuant to this section:

20 (a) Must be adopted in such a form that the determination of  
21 whether an applicant is qualified to bid on a contract for a public  
22 work does not require or allow the exercise of discretion by any one  
23 person.

24 (b) May include only:

25 (1) The financial ability of the applicant to perform a  
26 contract;

27 (2) The principal personnel of the applicant;

28 (3) Whether the applicant has breached any contracts with a  
29 public body or person in this State or any other state;

30 (4) Whether the applicant has been disqualified from being  
31 awarded a contract pursuant to NRS 338.017, 338.13845 or  
32 338.13895 ~~§~~ *or section 25 of this act;*

33 (5) Whether the applicant has been disciplined or fined by  
34 the State Contractors' Board or another state or federal agency for  
35 conduct that relates to the ability of the applicant to perform the  
36 public work;

37 (6) The performance history of the applicant concerning  
38 other recent, similar contracts, if any, completed by the applicant;  
39 and

40 (7) The truthfulness and completeness of the application.

41 **Sec. 28.** NRS 338.1377 is hereby amended to read as follows:

42 338.1377 Except as otherwise provided in NRS 338.1382, if a  
43 governing body that sponsors or finances a public work elects to  
44 award contracts for public works pursuant to the provisions of NRS  
45 338.1377 to 338.139, inclusive, the governing body shall adopt the





- 1 following criteria for determining whether a person who has applied  
2 pursuant to NRS 338.1379 is qualified to bid on contracts for public  
3 works of the local government:
- 4 1. Whether the applicant possesses a valid contractor's license  
5 of a class corresponding to the work to be required by the local  
6 government;
- 7 2. Whether the applicant has the ability to obtain the necessary  
8 bonding for the work to be required by the local government;
- 9 3. Whether the applicant has successfully completed an  
10 appropriate number of projects as determined by the local  
11 government, but not to exceed five projects, during the 5 years  
12 immediately preceding the date of application of similar size, scope  
13 or type as the work to be required by the local government;
- 14 4. Whether the principal personnel employed by the applicant  
15 have the necessary professional qualifications and experience for the  
16 work to be required by the local government;
- 17 5. Whether the applicant has breached any contracts with a  
18 public agency or person in this State or any other state during the 5  
19 years immediately preceding the date of application;
- 20 6. Whether the applicant has been disqualified from being  
21 awarded a contract pursuant to NRS 338.017 or 338.13895 ~~H~~ *or*  
22 *section 25 of this act*;
- 23 7. Whether the applicant has been convicted of a violation for  
24 discrimination in employment during the 2 years immediately  
25 preceding the date of application;
- 26 8. Whether the applicant has the ability to obtain and maintain  
27 insurance coverage for public liability and property damage within  
28 limits sufficient to protect the applicant and all the subcontractors of  
29 the applicant from claims for personal injury, accidental death and  
30 damage to property that may arise in connection with the work to be  
31 required by the local government;
- 32 9. Whether the applicant has established a safety program that  
33 complies with the requirements of chapter 618 of NRS;
- 34 10. Whether the applicant has been disciplined or fined by the  
35 State Contractors' Board or another state or federal agency for  
36 conduct that relates to the ability of the applicant to perform the  
37 work to be required by the local government;
- 38 11. Whether, during the 5 years immediately preceding the date  
39 of application, the applicant has filed as a debtor under the  
40 provisions of the United States Bankruptcy Code;
- 41 12. Whether the application of the applicant is truthful and  
42 complete; and
- 43 13. Whether, during the 5 years immediately preceding the date  
44 of application, the applicant has, as a result of causes within the



1 control of the applicant or a subcontractor or supplier of the  
2 applicant, failed to perform any contract:

3 (a) In the manner specified by the contract and any change  
4 orders initiated or approved by the person or governmental entity  
5 that awarded the contract or its authorized representative;

6 (b) Within the time specified by the contract unless extended by  
7 the person or governmental entity that awarded the contract or its  
8 authorized representative; or

9 (c) For the amount of money specified in the contract or as  
10 modified by any change orders initiated or approved by the person  
11 or governmental entity that awarded the contract or its authorized  
12 representative.

13 ↪ Evidence of the failures described in this subsection may include,  
14 without limitation, the assessment of liquidated damages against the  
15 applicant, the forfeiture of any bonds posted by the applicant, an  
16 arbitration award granted against the applicant or a decision by a  
17 court of law against the applicant.

18 **Sec. 29.** NRS 338.1721 is hereby amended to read as follows:

19 338.1721 To qualify to participate in a project for the design  
20 and construction of a public work, a design-build team must:

21 1. Have the ability to obtain a performance bond and payment  
22 bond as required pursuant to NRS 339.025;

23 2. Have the ability to obtain insurance covering general  
24 liability and liability for errors and omissions;

25 3. Not have been found liable for breach of contract with  
26 respect to a previous project, other than a breach for legitimate  
27 cause, during the 5 years immediately preceding the date of the  
28 advertisement for preliminary proposals;

29 4. Not have been disqualified from being awarded a contract  
30 pursuant to NRS 338.017, 338.13895, 338.1475 or 408.333 ~~†~~ **or**  
31 **section 25 of this act;**

32 5. Ensure that the members of the design-build team possess  
33 the licenses and certificates required to carry out the functions of  
34 their respective professions within this State; and

35 6. If the project is for the design and construction of a public  
36 work of the State, ensure that the prime contractor is qualified to bid  
37 on a public work of the State pursuant to NRS 338.1379.

38 **Sec. 30.** NRS 353A.010 is hereby amended to read as follows:

39 353A.010 As used in this chapter, unless the context otherwise  
40 requires:

41 1. "Agency" means every agency, department, division, board,  
42 commission or similar body, or elected officer, of the Executive  
43 Branch of the State.

44 2. ~~†"Committee" means the Executive Branch Audit~~  
45 ~~Committee created pursuant to NRS 353A.038.~~



1 ~~3.~~ “Director” means the Director of the Office of Finance.

2 3. *“Inspector General” means the Inspector General of the*  
3 *Office of Finance.*

4 4. “Internal accounting and administrative control” means a  
5 method through which agencies can safeguard assets, check the  
6 accuracy and reliability of their accounting information, promote  
7 efficient operations and encourage adherence to prescribed  
8 managerial policies.

9 **Sec. 31.** NRS 353A.020 is hereby amended to read as follows:

10 353A.020 1. The Director, in consultation with the  
11 ~~Committee~~ *Inspector General* and Legislative Auditor, shall adopt  
12 a uniform system of internal accounting and administrative control  
13 for agencies. The elements of the system must include, without  
14 limitation:

15 (a) A plan of organization which provides for a segregation of  
16 duties appropriate to safeguard the assets of the agency;

17 (b) A plan which limits access to assets of the agency to persons  
18 who need the assets to perform their assigned duties;

19 (c) Procedures for authorizations and recordkeeping which  
20 effectively control accounting of assets, liabilities, revenues and  
21 expenses;

22 (d) A system of practices to be followed in the performance of  
23 the duties and functions of each agency; and

24 (e) An effective system of internal review.

25 2. The Director, in consultation with the ~~Committee~~  
26 *Inspector General* and Legislative Auditor, may modify the system  
27 whenever the Director considers it necessary.

28 3. Each agency shall develop written procedures to carry out  
29 the system of internal accounting and administrative control adopted  
30 pursuant to this section.

31 4. For the purposes of this section, “agency” does not include:

32 (a) A board created by the provisions of NRS 590.485 and  
33 chapters 623 to 625A, inclusive, 628, 630 to 644, inclusive, 648,  
34 654 and 656 of NRS.

35 (b) The Nevada System of Higher Education.

36 (c) The Public Employees’ Retirement System.

37 (d) The Housing Division of the Department of Business and  
38 Industry.

39 (e) The Colorado River Commission of Nevada.

40 **Sec. 32.** NRS 353A.025 is hereby amended to read as follows:

41 353A.025 1. The head of each agency shall periodically  
42 review the agency’s system of internal accounting and  
43 administrative control to determine whether it is in compliance with  
44 the uniform system of internal accounting and administrative control  
45 for agencies adopted pursuant to subsection 1 of NRS 353A.020.



1 2. On or before July 1 of each even-numbered year, the head of  
2 each agency shall report to the Director whether the agency's  
3 system of internal accounting and administrative control is in  
4 compliance with the uniform system adopted pursuant to subsection  
5 1 of NRS 353A.020. The reports must be made available for  
6 inspection by the members of the Legislature.

7 3. For the purposes of this section, "agency" does not include:

8 (a) A board created by the provisions of NRS 590.485 and  
9 chapters 623 to 625A, inclusive, 628, 630 to 644, inclusive, 648,  
10 654 and 656 of NRS.

11 (b) The Nevada System of Higher Education.

12 (c) The Public Employees' Retirement System.

13 (d) The Housing Division of the Department of Business and  
14 Industry.

15 (e) The Colorado River Commission of Nevada.

16 4. The Director shall, on or before the first Monday in  
17 February of each odd-numbered year, submit a report on the status  
18 of internal accounting and administrative controls in agencies to the:

19 (a) Director of the Legislative Counsel Bureau for transmittal to  
20 the:

21 (1) Senate Standing Committee on Finance; and

22 (2) Assembly Standing Committee on Ways and Means;

23 (b) Governor; ~~and~~

24 (c) *Inspector General; and*

25 (d) Legislative Auditor.

26 5. The report submitted by the Director pursuant to subsection  
27 4 must include, without limitation:

28 (a) The identification of each agency that has not complied with  
29 the requirements of subsections 1 and 2;

30 (b) The identification of each agency that does not have an  
31 effective method for reviewing its system of internal accounting and  
32 administrative control; and

33 (c) The identification of each agency that has weaknesses in its  
34 system of internal accounting and administrative control, and the  
35 extent and types of such weaknesses.

36 **Sec. 33.** NRS 353A.036 is hereby amended to read as follows:

37 353A.036 "Division" means the Division of Internal Audits of  
38 the Office of ~~Finance;~~ *the Inspector General.*

39 **Sec. 34.** NRS 353A.038 is hereby amended to read as follows:

40 353A.038 ~~1. The Executive Branch Audit Committee is~~  
41 ~~hereby created.~~

42 ~~2. The Committee must consist of one member who is a~~  
43 ~~representative of the general public appointed by the Governor, who~~  
44 ~~has at least 5 years of progressively responsible experience in the~~



1 ~~field of auditing and who does not engage in business with any~~  
2 ~~agency, and the following ex officio members:~~

3 ~~—(a) The Governor, who shall serve as Chair of the Committee;~~

4 ~~—(b) The Lieutenant Governor;~~

5 ~~—(c) The Secretary of State;~~

6 ~~—(d) The State Treasurer;~~

7 ~~—(e) The State Controller; and~~

8 ~~—(f) The Attorney General.~~

9 ~~—3. The member of the Committee who is a representative of the~~  
10 ~~general public is entitled to receive a salary of \$80 per day while~~  
11 ~~engaged in the business of the Committee.~~

12 ~~—4. While engaged in the business of the Committee, each~~  
13 ~~member of the Committee is entitled to receive the per diem~~  
14 ~~allowance and travel expenses provided for state officers and~~  
15 ~~employees generally.~~

16 ~~—5.} The {Committee} **Inspector General** shall:~~

17 ~~{(a)} 1. Adopt policies and procedures for the operation of the~~  
18 ~~Division;~~

19 ~~{(b)} 2. Approve, with or without revision, each annual plan~~  
20 ~~for auditing agencies presented by the Administrator pursuant to~~  
21 ~~NRS 353A.045, and any revisions to such a plan, before the plan is~~  
22 ~~implemented; and~~

23 ~~{(e)} 3. Approve, with or without revision, each annual report~~  
24 ~~submitted by the Administrator pursuant to NRS 353A.065.~~

25 **Sec. 35.** NRS 353A.045 is hereby amended to read as follows:

26 353A.045 The Administrator shall:

27 1. Report to the ~~{Director.}~~ **Inspector General**.

28 2. Develop long-term and annual work plans to be based on the  
29 results of periodic documented risk assessments. The annual work  
30 plan must list the agencies to which the Division will provide  
31 training and assistance and be submitted to the ~~{Director}~~ **Inspector**  
32 **General** for approval. Such agencies must not include:

33 (a) A board created by the provisions of NRS 590.485 and  
34 chapters 623 to 625A, inclusive, 628, 630 to 644, inclusive, 648,  
35 654 and 656 of NRS.

36 (b) The Nevada System of Higher Education.

37 (c) The Public Employees' Retirement System.

38 (d) The Housing Division of the Department of Business and  
39 Industry.

40 (e) The Colorado River Commission of Nevada.

41 3. Provide a copy of the approved annual work plan to the  
42 Legislative Auditor.

43 4. ~~{In consultation with the Director, prepare}~~ **Prepare** a plan  
44 for auditing executive branch agencies for each fiscal year and



1 present the plan to the ~~{Committee}~~ *Inspector General* for ~~{its}~~ *his*  
2 *or her* review and approval. Each plan for auditing must:

3 (a) State the agencies which will be audited, the proposed scope  
4 and assignment of those audits and the related resources which will  
5 be used for those audits; and

6 (b) Ensure that the internal accounting, administrative controls  
7 and financial management of each agency are reviewed periodically.

8 5. Perform the audits of the programs and activities of the  
9 agencies in accordance with the plan approved pursuant to  
10 ~~{subsection 5 of}~~ NRS 353A.038 and prepare audit reports of his or  
11 her findings.

12 6. Review each agency that is audited pursuant to subsection 5  
13 and advise those agencies concerning internal accounting,  
14 administrative controls and financial management.

15 7. Submit to each agency that is audited pursuant to subsection  
16 5 analyses, appraisals and recommendations concerning:

17 (a) The adequacy of the internal accounting and administrative  
18 controls of the agency; and

19 (b) The efficiency and effectiveness of the management of the  
20 agency.

21 8. Report any possible abuses, illegal actions, errors, omissions  
22 and conflicts of interest of which the Division becomes aware  
23 during the performance of an audit.

24 9. Adopt the standards of The Institute of Internal Auditors for  
25 conducting and reporting on internal audits.

26 10. Consult with the Legislative Auditor concerning the plan  
27 for auditing and the scope of audits to avoid duplication of effort  
28 and undue disruption of the functions of agencies that are audited  
29 pursuant to subsection 5.

30 11. Appoint a Manager of Internal Controls.

31 **Sec. 36.** NRS 353A.055 is hereby amended to read as follows:

32 353A.055 1. The Division shall:

33 (a) Determine the adequacy of the system of internal accounting,  
34 administrative control and financial management of each agency to  
35 which the Division provides training and assistance.

36 (b) Adopt regulations, approved by the ~~{Committee,}~~ *Inspector*  
37 *General*, requiring the provision of training to any employee of an  
38 agency who is responsible for administering budgetary accounts.  
39 The training must address:

40 (1) The laws and regulations of this state and the Federal  
41 Government applicable to the operations of the agency.

42 (2) Internal accounting, administrative controls and financial  
43 management.

44 (3) Techniques to address the adequacy of controls of the  
45 agency.



1 (c) Develop and administer a procedure to evaluate the  
2 effectiveness of any training provided to an agency.

3 (d) Provide technical assistance to agencies in developing and  
4 carrying out their systems of internal accounting, administrative  
5 controls and financial management.

6 (e) Prepare separate reports for each agency which summarize  
7 the results of the training and assistance provided to the agency.

8 2. The Division shall not ~~f~~

9 ~~—(a) Provide~~ **provide** any services to an agency that is under the  
10 direct control or administration of a constitutional officer unless the  
11 constitutional officer requests such services.

12 ~~[(b) Conduct investigations, but shall refer such matters to the~~  
13 ~~appropriate agency.]~~

14 **Sec. 37.** NRS 353A.065 is hereby amended to read as follows:

15 353A.065 1. Within 90 days after the end of each fiscal year,  
16 the Administrator shall submit an annual report to the ~~{Committee}~~  
17 **Inspector General** for ~~{its}~~ **his or her** approval which:

18 (a) Lists the agencies to which the Division provided training  
19 and assistance;

20 (b) Separately lists any other activities undertaken by the  
21 Division that are related to the provision of training and assistance  
22 and the status of those activities;

23 (c) Contains a list of the final reports that have been submitted  
24 pursuant to NRS 353A.085;

25 (d) Contains a separate list of any other activities undertaken by  
26 the Division that are related to the final reports submitted pursuant  
27 to NRS 353A.085 and the status of those activities; and

28 (e) Describes the accomplishments of the Division.

29 2. The Administrator shall provide a copy of the annual report  
30 to the:

31 (a) ~~{Committee;}~~ **Inspector General;**

32 (b) Director;

33 (c) Interim Finance Committee; and

34 (d) Legislative Auditor.

35 **Sec. 38.** NRS 353A.085 is hereby amended to read as follows:

36 353A.085 1. After each audit is completed, the Administrator  
37 or the Administrator's designated representative shall submit a copy  
38 of the preliminary findings and recommendations of the audit to the  
39 head of the audited agency. Within 10 working days after receipt of  
40 the preliminary findings and recommendations, the head of the  
41 agency shall submit to the Administrator a written statement of  
42 acceptance, explanation or rebuttal concerning the findings. The  
43 Administrator shall include the statement of the head of the agency  
44 in the final report.



1 2. The Administrator shall submit a final report to the  
2 ~~{Committee}~~ *Inspector General* and the head of the audited agency.

3 3. Except as otherwise provided in NRS 353A.031 to  
4 353A.100, inclusive, the Administrator shall not disclose the content  
5 of any audit before the final report is submitted to the ~~{Committee}~~  
6 *Inspector General* pursuant to subsection 2 except in the case of  
7 alleged illegal acts which must be reported immediately upon  
8 discovery.

9 **Sec. 39.** NRS 353A.090 is hereby amended to read as follows:

10 353A.090 Within 6 months after the date that the final report is  
11 submitted pursuant to NRS 353A.085, if corrective action is  
12 recommended for an agency, the Administrator shall determine  
13 whether appropriate corrective actions are being taken and whether  
14 those actions are achieving the desired result. The Administrator  
15 shall inform the ~~{Committee}~~ *Inspector General* and the head of the  
16 audited agency of the effect of any corrective actions taken.

17 **Sec. 40.** NRS 408.3884 is hereby amended to read as follows:

18 408.3884 To qualify to participate in the design and  
19 construction of a project for the Department, a design-build team  
20 must:

21 1. Except as otherwise provided in NRS 408.354, obtain a  
22 performance bond and payment bond as the Department may  
23 require;

24 2. Obtain insurance covering general liability and liability for  
25 errors and omissions;

26 3. Not have been found liable for breach of contract with  
27 respect to a previous project, other than a breach for legitimate  
28 cause;

29 4. Not have been disqualified from being awarded a contract  
30 pursuant to NRS 338.017, 338.13895, 338.1475 or 408.333 ~~{}~~ *or*  
31 *section 25 of this act*; and

32 5. Ensure that the members of the design-build team possess  
33 the licenses and certificates required to carry out the functions of  
34 their respective professions within this state.

35 **Sec. 41.** NRS 427A.070 is hereby amended to read as follows:

36 427A.070 1. The Administrator shall:

37 (a) Subject to the approval of the Director, adopt rules and  
38 regulations:

39 (1) Necessary to carry out the purposes of this chapter and  
40 chapter 435 of NRS; and

41 (2) Establishing a program to subsidize the transportation by  
42 taxicab of elderly persons and persons with permanent disabilities  
43 from money received pursuant to subsection ~~{}~~ 8 of NRS 706.8825;

44 (b) Establish appropriate administrative units within the  
45 Division;





1 (c) Appoint such personnel and prescribe their duties as the  
2 Administrator deems necessary for the proper and efficient  
3 performance of the functions of the Division;

4 (d) Prepare and submit to the Governor, through the Director  
5 before September 1 of each even-numbered year for the biennium  
6 ending June 30 of such year, reports of activities and expenditures  
7 and estimates of sums required to carry out the purposes of this  
8 chapter and chapter 435 of NRS;

9 (e) Make certification for disbursement of funds available for  
10 carrying out the purposes of this chapter and chapter 435 of NRS;  
11 and

12 (f) Take such other action as may be necessary or appropriate  
13 for cooperation with public and private agencies and otherwise to  
14 carry out the purposes of this chapter and chapter 435 of NRS.

15 2. The Administrator may delegate to any officer or employee  
16 of the Division such of the powers and duties of the Administrator  
17 as the Administrator finds necessary to carry out the purposes of this  
18 chapter and chapter 435 of NRS.

19 **Sec. 42.** NRS 624.300 is hereby amended to read as follows:

20 624.300 1. Except as otherwise provided in subsections 3 and  
21 5, the Board may:

22 (a) Suspend or revoke licenses already issued;

23 (b) Refuse renewals of licenses;

24 (c) Impose limits on the field, scope and monetary limit of the  
25 license;

26 (d) Impose an administrative fine of not more than \$10,000;

27 (e) Order a licensee to repay to the account established pursuant  
28 to NRS 624.470, any amount paid out of the account pursuant to  
29 NRS 624.510 as a result of an act or omission of that licensee;

30 (f) Order the licensee to take action to correct a condition  
31 resulting from an act which constitutes a cause for disciplinary  
32 action, at the licensee's cost, that may consist of requiring the  
33 licensee to:

34 (1) Perform the corrective work himself or herself;

35 (2) Hire and pay another licensee to perform the corrective  
36 work; or

37 (3) Pay to the owner of the construction project a specified  
38 sum to correct the condition; or

39 (g) Issue a public reprimand or take other less severe  
40 disciplinary action, including, without limitation, increasing the  
41 amount of the surety bond or cash deposit of the licensee,

42 ➤ if the licensee commits any act which constitutes a cause for  
43 disciplinary action.

44 2. If the Board suspends or revokes the license of a contractor  
45 for failure to establish financial responsibility, the Board may, in



1 addition to any other conditions for reinstating or renewing the  
2 license, require that each contract undertaken by the licensee for a  
3 period to be designated by the Board, not to exceed 12 months, be  
4 separately covered by a bond or bonds approved by the Board and  
5 conditioned upon the performance of and the payment of labor and  
6 materials required by the contract.

7 3. If a licensee violates:

8 (a) The provisions of NRS 624.3014, subsection 2 or 3 of NRS  
9 624.3015, subsection 1 of NRS 624.302 or subsection 1 of NRS  
10 624.305, the Board may impose for each violation an administrative  
11 fine in an amount that is not more than \$50,000.

12 (b) The provisions of subsection 4 of NRS 624.3015:

13 (1) For a first offense, the Board shall impose an  
14 administrative fine of not less than \$1,000 and not more than  
15 \$50,000, and may suspend the license of the licensee for 6 months;

16 (2) For a second offense, the Board shall impose an  
17 administrative fine of not less than \$5,000 and not more than  
18 \$50,000, and may suspend the license of the licensee for 1 year; and

19 (3) For a third or subsequent offense, the Board shall impose  
20 an administrative fine of not less than \$10,000 and not more than  
21 \$50,000, and may revoke the license of the licensee.

22 (c) The provisions of subsection 7 of NRS 624.302, the Board  
23 shall, in addition to any other disciplinary action taken pursuant to  
24 this section, impose an administrative fine of \$1,000.

25 4. The Board shall, by regulation, establish standards for use  
26 by the Board in determining the amount of an administrative fine  
27 imposed pursuant to subsection 3. The standards must include,  
28 without limitation, provisions requiring the Board to consider:

29 (a) The gravity of the violation;

30 (b) The good faith of the licensee; and

31 (c) Any history of previous violations of the provisions of this  
32 chapter committed by the licensee.

33 5. If a licensee is prohibited from being awarded a contract for  
34 a public work pursuant to NRS 338.017, *or section 25 of this act*,  
35 the Board may suspend the license of the licensee for the period of  
36 the prohibition.

37 6. If a licensee commits a fraudulent act which is a cause for  
38 disciplinary action under NRS 624.3016, the correction of any  
39 condition resulting from the act does not preclude the Board from  
40 taking disciplinary action.

41 7. If the Board finds that a licensee has engaged in repeated  
42 acts that would be cause for disciplinary action, the correction of  
43 any resulting conditions does not preclude the Board from taking  
44 disciplinary action pursuant to this section.



1 8. The expiration of a license by operation of law or by order  
2 or decision of the Board or a court, or the voluntary surrender of a  
3 license by a licensee, does not deprive the Board of jurisdiction to  
4 proceed with any investigation of, or action or disciplinary  
5 proceeding against, the licensee or to render a decision suspending  
6 or revoking the license.

7 9. The Board shall not issue a private reprimand to a licensee.

8 10. An order that imposes discipline and the findings of fact  
9 and conclusions of law supporting that order are public records.

10 11. An administrative fine imposed pursuant to this section or  
11 NRS 624.341 or 624.710 plus interest at a rate that is equal to the  
12 prime rate at the largest bank in this State, as determined by the  
13 Commissioner of Financial Institutions on January 1 or July 1, as  
14 appropriate, immediately preceding the date of the order imposing  
15 the administrative fine, plus 4 percent, must be paid to the Board  
16 before the issuance or renewal of a license to engage in the business  
17 of contracting in this State. The interest must be collected from the  
18 date of the order until the date the administrative fine is paid.

19 12. All fines and interest collected pursuant to this section must  
20 be deposited with the State Treasurer for credit to the Construction  
21 Education Account created pursuant to NRS 624.580.

22 **Sec. 43.** NRS 706.1516 is hereby amended to read as follows:

23 706.1516 1. The Nevada Transportation Authority  
24 Regulatory Account is hereby created in the State General Fund. All  
25 money collected by the Authority pursuant to law must be deposited  
26 with the State Treasurer for credit to the Account.

27 2. Except as otherwise provided in ~~subsection~~ **subsections** 3  
28 **4 and 8**, money in the Account may be used only to defray the  
29 costs of:

30 (a) Maintaining staff and equipment needed to regulate  
31 adequately persons subject to the jurisdiction of the Authority.

32 (b) Participating in all proceedings relevant to the jurisdiction of  
33 the Authority.

34 (c) Audits, inspections, investigations, publication of notices,  
35 reports and retaining consultants connected with that maintenance  
36 and participation.

37 (d) The salaries, travel expenses and subsistence allowances of  
38 the members of the Authority.

39 3. All money collected by the Authority pursuant to subsection  
40 2 of NRS 706.465 and subsection 4 of NRS 706.471 must be used to  
41 implement technological improvements in safety, reliability and  
42 efficiency within a county whose population is 700,000 or more,  
43 including, without limitation, the implementation of a computerized  
44 real-time data system to assist with the administration and  
45 enforcement of the provisions of NRS 706.011 to 706.791,



1 inclusive. A computerized real-time data system implemented  
2 pursuant to this subsection must, at a minimum, satisfy the  
3 following criteria:

4 (a) While a vehicle is in service within the jurisdiction of the  
5 Authority, the system must be capable of collecting in real-time  
6 from the onboard computer of the vehicle, by wireless access  
7 through the onboard diagnostic port or other means, the vehicle  
8 identification number and the operating and telemetric data for the  
9 vehicle.

10 (b) While a vehicle is in service within the jurisdiction of the  
11 Authority, the system must be capable of collecting in real-time,  
12 from an onboard diagnostic device capable of using a global  
13 positioning system that is installed in the vehicle or any other  
14 onboard computer software system capable of using a global  
15 positioning system that is installed in the vehicle, the location of the  
16 vehicle by latitude and longitude, a record of the time at which  
17 the vehicle is at that location and operating and telemetric data for  
18 the vehicle.

19 (c) The system must be capable of allowing the operator of a  
20 vehicle, while the vehicle is in service within the jurisdiction of the  
21 Authority, to register in the system, at the beginning and end of each  
22 shift, his or her identity and the number of his or her permit or  
23 certificate of public convenience and necessity.

24 (d) The system must be capable of allowing, in a manner  
25 prescribed by the Authority, a holder of a certificate of public  
26 convenience and necessity to digitally associate himself or herself  
27 with a vehicle for which the Authority has issued a certificate,  
28 license or other authorization.

29 (e) The system must be capable of presenting, in real-time to the  
30 Authority, searchable histories of the information and data described  
31 in this subsection in both a format that displays the information and  
32 data in tables and a digital map format that displays streets and  
33 highways.

34 (f) The system must be capable of presenting to a passenger,  
35 through an application on a mobile device or an interactive, digital  
36 display or other onboard system in the vehicle, sufficient  
37 information for the passenger to select and direct the operator of the  
38 vehicle to the passenger's desired destination by the passenger's  
39 desired route. The information must include, without limitation,  
40 sufficient information for the passenger to:

41 (1) Select the shortest route by time or distance to the  
42 passenger's desired destination;

43 (2) Select a multi-segment trip directed by the passenger;

44 (3) Select the least expensive route to the passenger's desired  
45 destination; and



1 (4) Make a digital record of the passenger's selection that is  
2 accessible during and after the trip by the passenger, the Authority,  
3 the operator and the holder of the certificate of public convenience  
4 and necessity.

5 (g) The system must be capable of presenting to the operator of  
6 the vehicle, through an application on a mobile device or an  
7 interactive, digital display or other onboard system in the vehicle,  
8 sufficient information for the operator to:

9 (1) Determine the shortest route by time or distance to the  
10 passenger's desired destination and the least expensive route to the  
11 passenger's desired destination;

12 (2) Follow a multi-segment, passenger-directed trip by the  
13 least expensive route to the passenger's desired destination; and

14 (3) Allow the passenger to make a digital record of a  
15 selection of a desired route to the passenger's destination that is  
16 accessible during and after the trip by the passenger, the Authority,  
17 the operator and the holder of the certificate of public convenience  
18 and necessity.

19 (h) The system must be capable of allowing a passenger to  
20 register comments and complaints with the Authority, the operator  
21 of the vehicle and the holder of the certificate of public convenience  
22 and necessity, through an application on a mobile device or an  
23 interactive digital display screen or other onboard system in the  
24 vehicle.

25 (i) The system must be capable of assisting the Authority in the  
26 development of additional preventive measures to detect, investigate  
27 and deter the practice of transporting a passenger to a selected  
28 destination by a route that is more expensive than necessary under  
29 the circumstances of the trip.

30 (j) The system must be capable of providing to the Authority  
31 reliable real-time and historic information concerning service  
32 demands, market data, vehicle usage, wait time and customer  
33 complaints and comments.

34 (k) The system must be capable of allowing holders of a  
35 certificate of convenience and public necessity to use the system to  
36 provide cooperative dispatch and electronic hailing services to the  
37 public pursuant to NRS 706.165.

38 4. The Authority shall not use the information and data  
39 collected pursuant to paragraph (a) or (b) of subsection 3 for any  
40 purpose other than the purposes set forth in those paragraphs unless  
41 the Authority has adopted regulations governing the additional use.

42 5. The Authority may operate the computerized real-time data  
43 system implemented pursuant to subsection 3 or enter into an  
44 agreement for the provision of such service. If the Authority enters  
45 into such an agreement, the Authority shall ensure that all the



1 information and data collected by the computerized real-time data  
2 system is under the control of the Authority.

3 6. All claims against the Account must be paid as other claims  
4 against the State are paid.

5 7. The Authority must furnish upon request a statement  
6 showing the balance remaining in the Account as of the close of the  
7 preceding fiscal year.

8 8. *The Authority shall periodically transfer from the Account*  
9 *to the Office of the Inspector General an amount necessary to*  
10 *cover the cost of the salaries and benefits of the employees of the*  
11 *Office who, pursuant to subsection 2 of section 8 of this act,*  
12 *perform an investigation, inspection or audit required or*  
13 *authorized to be performed by the Authority.*

14 9. As used in this section ~~f, "real~~ :

15 (a) *"Office of the Inspector General" means the Office of the*  
16 *Inspector General created by section 6 of this act.*

17 (b) *"Real time"* means the transmission of information at a rate  
18 no longer than once every 6 seconds, unless the Authority authorizes  
19 a longer rate while a vehicle is experiencing a low volume of trips.

20 **Sec. 44.** NRS 706.8825 is hereby amended to read as follows:

21 706.8825 1. All fees collected pursuant to NRS 706.881 to  
22 706.885, inclusive, must be deposited by the Administrator to the  
23 credit of the Taxicab Authority Fund, which is hereby created as a  
24 special revenue fund. The transactions for each county subject to  
25 those sections must be accounted for separately within the Fund.

26 2. The interest and income earned on the money in the Fund,  
27 after deducting any applicable charges, must be credited to the  
28 Fund.

29 3. The revenues received pursuant to subsection 1 of NRS  
30 706.8826 are hereby appropriated to defray the cost of regulating  
31 taxicabs in the county or the city, respectively, making the deposit  
32 under that subsection.

33 4. The fees received pursuant to subsection 3 of NRS  
34 706.8826, NRS 706.8827, 706.8841, 706.8848, 706.8849 and  
35 706.885 are hereby appropriated to defray the cost of regulating  
36 taxicabs in the county in which the certificate holder operates a  
37 taxicab business. The technology fees received pursuant to  
38 paragraph (c) of subsection 3 of NRS 706.8826 must be used to  
39 implement technological improvements in safety, reliability and  
40 efficiency, including, without limitation, the implementation of a  
41 computerized real-time data system to assist with the regulation of  
42 the taxicabs in the county in which the certificate holder operates a  
43 taxicab business. A computerized real-time data system  
44 implemented pursuant to this subsection must, at a minimum, satisfy  
45 the following criteria:



1 (a) While a taxicab is in service within the jurisdiction of the  
2 Taxicab Authority, the system must be capable of collecting in real-  
3 time from the onboard computer of the taxicab, by wireless access  
4 through the onboard diagnostic port or other means, the vehicle  
5 identification number and operating and telemetric data for the  
6 vehicle.

7 (b) While a taxicab is in service within the jurisdiction of the  
8 Taxicab Authority, the system must be capable of collecting in real-  
9 time, from an onboard diagnostic device capable of using a global  
10 positioning system that is installed in the taxicab or any other  
11 onboard computer software system capable of using a global  
12 positioning system that is installed in the taxicab, the location of the  
13 taxicab by latitude and longitude, a record of the time at which  
14 the taxicab is at that location and operating and telemetric data for  
15 the vehicle.

16 (c) The system must be capable of allowing the driver of a  
17 taxicab, while the taxicab is in service within the jurisdiction of the  
18 Taxicab Authority, to register in the system, at the beginning and  
19 end of each shift, his or her identity and the number of his or her  
20 driver's permit.

21 (d) The system must be capable of allowing, in a manner  
22 prescribed by the Taxicab Authority, a certificate holder to digitally  
23 associate a taxicab with a temporary or permanent medallion for the  
24 purpose of verifying the validity of a temporary or permanent  
25 medallion pursuant to NRS 706.88183. As used in this paragraph,  
26 "medallion" has the meaning ascribed to it in NRS 706.88183.

27 (e) The system must be capable of presenting, in real-time to the  
28 Taxicab Authority, searchable histories, in both a format that  
29 displays the information and data in tables and a digital map format  
30 that displays streets and highways, of:

31 (1) The information and data described in this subsection;  
32 and

33 (2) The information described in NRS 706.8844.

34 (f) The system must be capable of presenting to a passenger,  
35 through an application on a mobile device or on an interactive,  
36 digital display or other onboard system in the taxicab, sufficient  
37 information for the passenger to select and direct the driver to the  
38 passenger's desired destination by the passenger's desired route.  
39 The information must include, without limitation, sufficient  
40 information for the passenger to:

41 (1) Select the shortest route by time or distance to the  
42 passenger's desired destination;

43 (2) Select a multi-segment trip directed by the passenger;

44 (3) Select the least expensive route to the passenger's desired  
45 destination; and



1 (4) Make a digital record of the passenger's selection that is  
2 accessible during and after the trip by the passenger, the Taxicab  
3 Authority, the driver and the certificate holder.

4 (g) The system must be capable of presenting to the driver,  
5 through an application on a mobile device or an interactive, digital  
6 display or other onboard system in the taxicab, sufficient  
7 information for the driver to:

8 (1) Determine the shortest route by time or distance to the  
9 passenger's desired destination and the least expensive route to the  
10 passenger's desired destination;

11 (2) Follow a multi-segment, passenger-directed trip by the  
12 least expensive route to the passenger's desired destination; and

13 (3) Allow the passenger to make a digital record of a  
14 selection of a desired route to the passenger's destination that is  
15 accessible during and after the trip by the passenger, the Taxicab  
16 Authority, the driver and the certificate holder.

17 (h) The system must be capable of allowing passengers to  
18 register comments and complaints with the Taxicab Authority, the  
19 driver and the certificate holder, through an application on a mobile  
20 device or an interactive digital display screen or other onboard  
21 system in the taxicab.

22 (i) The system must be capable of assisting the Taxicab  
23 Authority in the development of additional preventive measures to  
24 detect, investigate and deter the practice of transporting a passenger  
25 to a selected destination by a route that is more expensive than  
26 necessary under the circumstances of the trip.

27 (j) The system must be capable of providing to the Taxicab  
28 Authority reliable real-time and historic information concerning  
29 service demands, market data, vehicle usage, wait times and  
30 customer complaints and comments for use by the Taxicab  
31 Authority to make decisions concerning the allocation of medallions  
32 pursuant to 706.88237, 706.8824 and 706.88245.

33 (k) The system must be capable of allowing certificate holders  
34 to use the system to provide cooperative dispatch and electronic  
35 hailing services to the public pursuant to NRS 706.88184.

36 5. The Taxicab Authority shall not use the information and  
37 data collected pursuant to paragraph (a) or (b) of subsection 4 for  
38 any purpose other than the purposes set forth in those paragraphs  
39 unless the Authority has adopted regulations governing the  
40 additional use.

41 6. The Taxicab Authority may operate the computerized real-  
42 time data system implemented pursuant to subsection 4 or enter into  
43 an agreement for the provision of such service. If the Taxicab  
44 Authority enters into such an agreement, the Taxicab Authority shall  
45 ensure that all the information and data collected by the





1 computerized real-time data system is under the control of the  
2 Taxicab Authority.

3 7. *The Authority shall periodically transfer from the Fund to*  
4 *the Office of the Inspector General an amount necessary to cover*  
5 *the cost of the salaries and benefits of the employees of the Office*  
6 *who, pursuant to subsection 2 of section 8 of this act, perform an*  
7 *investigation, inspection or audit required or authorized to be*  
8 *performed by the Taxicab Authority.*

9 8. Any balance remaining in the Fund does not revert to the  
10 State General Fund. The Administrator may transfer to the Aging  
11 and Disability Services Division of the Department of Health and  
12 Human Services any balance over \$200,000 and any interest earned  
13 on the Fund, within the limits of legislative authorization for each  
14 fiscal year, to subsidize transportation for elderly persons and  
15 persons with permanent disabilities in taxicabs. The money  
16 transferred to the Aging and Disability Services Division must be  
17 administered in accordance with regulations adopted by the  
18 Administrator of the Aging and Disability Services Division  
19 pursuant to NRS 427A.070.

20 ~~18-~~ 9. The Administrator may establish an account for petty  
21 cash not to exceed \$2,000 for the support of undercover  
22 investigation, and if the account is created, the Administrator shall  
23 reimburse the account from the Taxicab Authority Fund in the same  
24 manner as other claims against the State are paid.

25 ~~19-~~ 10. As used in this section ~~1-~~ "real":

26 (a) *"Office of the Inspector General" means the Office of the*  
27 *Inspector General created by section 6 of this act.*

28 (b) *"Real time" means the transmission of information at a rate*  
29 *no longer than once every 6 seconds, unless the Taxicab Authority*  
30 *authorizes a longer rate while a taxicab is experiencing a low*  
31 *volume of trips.*

32 **Sec. 45.** Section 37 of the Boulder City Bypass Toll Road  
33 Demonstration Project Act, being chapter 478, Statutes of Nevada  
34 2011, at page 2919, is hereby amended to read as follows:

35 Sec. 37. Eligibility to be private partner in public-  
36 private partnership.

37 1. To be eligible as a private partner in connection with a  
38 public-private partnership, a private partner must:

39 (a) Obtain a performance bond, payment bond, letter of  
40 credit, parent guarantee or other security acceptable to the  
41 Commission, or any combination thereof, which the  
42 Commission determines is adequate to:

43 (1) Protect the interests of this State and its political  
44 subdivisions; and



1 (2) Ensure completion of the demonstration project  
2 without this State or its political subdivisions being liable for  
3 any of the direct costs of the demonstration project;

4 (b) Obtain insurance covering general liability and  
5 liability for errors and omissions, in amounts determined by  
6 the Commission;

7 (c) Not have been found liable for breach of contract with  
8 respect to a previous project with the Commission, other than  
9 a breach for legitimate cause during the 5 years immediately  
10 preceding the commencement of the solicitation of the public-  
11 private partnership; and

12 (d) Not have been disqualified from being awarded a  
13 contract pursuant to NRS 338.017, 338.13895 or 338.1475 **H**  
14 *or section 25 of this act.*

15 2. A private partner is not required to hold the licenses  
16 and certifications required to undertake the work for the  
17 demonstration project as a condition of eligibility to be a  
18 private partner but must ensure that any work which requires  
19 a license or certification is performed by persons that possess  
20 the required licenses and certifications.

21 **Sec. 46.** 1. Any policies or procedures adopted by the  
22 Executive Branch Audit Committee before July 1, 2017, remain in  
23 force until amended by the Inspector General appointed pursuant to  
24 section 6 of this act. The policies and procedures may be enforced  
25 by the Inspector General.

26 2. The annual plan for auditing agencies approved by the  
27 Executive Branch Audit Committee pursuant to NRS 353A.065  
28 before July 1, 2017, remains in force until revised or replaced by the  
29 Inspector General appointed pursuant to section 6 of this act. The  
30 annual plan may be enforced by the Inspector General.

31 **Sec. 47.** On July 1, 2017, each audit investigator and  
32 enforcement investigator employed by the Nevada Transportation  
33 Authority and each enforcement investigator and vehicle inspector  
34 employed by the Taxicab Authority must be transferred to, and  
35 become an employee of, the Office of the Inspector General created  
36 by section 6 of this act.

37 **Sec. 48.** 1. On or before August 31, 2017, the Legislative  
38 Commission shall submit to the Governor a list of three candidates  
39 for Inspector General pursuant to section 6 of this act.

40 2. The Administrator of the Division of Internal Audits is the  
41 acting Inspector General until the Governor appoints the initial  
42 Inspector General pursuant to section 6 of this act.

43 **Sec. 49.** The provisions of subsection 1 of NRS 218D.380 do  
44 not apply to any provision of this act that adds or revises a  
45 requirement to submit a report to the Legislature.



1     **Sec. 50.** This act becomes effective on July 1, 2017.

③



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