OFFICE OF THE ATTORNEY GENERAL STATE OF NEVADA

In the matter of:

Nevada State Board of Veterinary Medical Examiners OAG FILE NO.: 13897-363

BACKGROUND

Patricia Handal filed a complaint with the Office of the Attorney General ("OAG") alleging violations of the Nevada Opening Meeting Law ("OML") by the Nevada State Board of Veterinary Medical Examiners ("Board"), regarding a meeting held by the Board on January 16, 2020. The allegations relate to the Board's inclusion on its agenda and consideration of an agenda item related to payment of legal fees. The Complaint specifically alleges and requests investigation into the following:

ALLEGATION NO. 1: Whether a professional board may vote on an agenda item when no explanation or supporting documentation is provided to them either written or verbally?

ALLEGATION NO. 2: Whether Board members acted with due diligence in voting on an agenda item without being provided any information to make an informed decision, and whether such action constitutes abdication of their responsibilities to the people of the State?

ALLEGATION NO. 3: Whether the public may learn if funds approved by the Board were in fact used for the specific purpose mentioned during Board action?

ALLEGATION NO. 4: Whether the Board's insurance would cover legal fees, if actions were taken by a Board member in his official capacity?

ALLEGATION NO. 5: Whether there was a violation of NRS 281.611(1)(c) [abuse of authority] or NRS 281.611(1)(e)(A) [gross waste of public money]?

ALLEGATION NO. 6: Whether the Board violated NRS Chapter 241 for its failure to include a clear and complete statement of topics scheduled to be considered during

its January 16, 2020 meeting?

ALLEGATION NO. 7: Whether the Board violated NRS Chapter 241 for its failure to clearly denote action items on its agenda and its failure to use "for possible action" next to the appropriate item?

The OAG has statutory enforcement powers under the OML and the authority to investigate and prosecute violations of the OML. NRS 241.037; NRS 241.039; NRS 241.040. The OAG's investigation of the Complaint included a review of the following:: the Complaint and the attached exhibits; the written response by the Board of Veterinary Medical Examiners dated March 27, 2020, and the attached exhibits; the Public Notice and Agenda for the Board's January 16, 2020 meeting; the transcript of Agenda Item 8D from the January 16, 2020 Board meeting; the audio recordings for Agenda Item 8D from the January 16, 2020 Board meeting; and the Board of Veterinary Medical Examiners' supplemental response to the OML complaint dated July 22, 2020.

After investigating the Complaint, the OAG determines that the Board violated the OML as detailed below.

FINDINGS OF FACT

- 1. The Nevada State Board of Veterinary Medical Examiners is a "public body" as defined in NRS 241.015(4) and is subject to the OML.
- 2. The Board held a public meeting on January 16, 2020. Agenda Item 8 of the Public Notice and Agenda reads as follows:
 - 8. Discussion and Determination for Possible Action
 - A. 2021 Board Meeting Dates
 - B. FY19 Annual Audit for Review
 - C. Discussion of potential statutory changes for the 2021 Legislative Session
 - D. Consideration and approval of payment of legal fees for confidential matter
 - E. AB 319 Policy and Discussion

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- 3. According to the Board, Agenda Item 8(D) related to a complaint received from a Board member from a state agency related to the Board member's actions and service as a Board member.¹
- 4. This Board member contacted the Board's Executive Director Jennifer Pedigo, and separately, the Board's legal counsel, Louis Ling, and informed them of his receipt of the complaint by the state agency.
- 5. Mr. Ling determined that the complained-of actions regarding the Board member were actions taken by the Board member in the course and scope of the Board member's duties as a Board member and therefore, the Board member would be entitled to legal representation. Mr. Ling also determined that, for ethical reasons, he could not represent the Board member relative to the complaint and provided the Board member with the names of attorneys who may be competent in representing the Board member in the matter.
- 6. The next time that Ms. Pedigo and/or Mr. Ling heard anything regarding the matter was after the complaint was resolved in favor of the Board member and the Board member was seeking reimbursement for the associated legal fees. Ms. Pedigo then consulted with Mr. Ling regarding how to word at agenda item to seek the Board's review and potential approval of reimbursement of the Board member's legal fees. Mr. Ling wrote the wording that eventually became Agenda Item 8(D) on the Board's January 16, 2020 Agenda.
- 7. At the time the Board discussed Agenda Item 8(D) at the January 16, 2020 Board meeting, Mr. Ling informed the Board that there was a matter that was "still confidential" that had now resolved against "one of us." Mr. Ling informed the Board that he could not represent the individual in the matter and that the person found a private lawyer to present that individual in the matter, and that the agenda item was to seek a

¹ In its supplemental response to the OML Complaint, the identity of the Board member who was subject to this Complaint was revealed as Dr. Davyd Pelsue and the state agency to which the complaint was filed was the Nevada Commission on Ethics.

reimbursement payment to that individual for the private legal fees incurred. Mr. Ling counseled the Board that because the matter was resolved in the individual's favor, that the matter was and will always be confidential.

8. Ultimately, the Board voted to approve the payment of the legal fees incurred at the January 16, 2020 meeting.

LEGAL STANDARDS AND CONCLUSIONS OF LAW

1. The Board's Notice and Agenda denoted topics scheduled as items "for possible action" during its January 16, 2020 meeting.

The OML requires that a public body's agenda contain a list describing the items on which action may be taken and clearly denote that action may be taken on those actions, by placing the term "for possible action" next to the appropriate item. NRS 241.020(d)(2). The agenda item that is subject to this instant Complaint is Agenda Item 8D – Consideration and approval of payment of legal fees for confidential matter.

The Board clearly titled Agenda Item 8 and denoted the items as "Discussion and Determination for Possible Action." (emphasis added). Under that general header, the Board's January 16, 2020 Agenda lists five (5) topics, including Agenda Item 8D, to consider and approve the payment of legal fees for the confidential matter. It is clear that the Board identified the topics found under Agenda 8 as items on which the Board could take action. Accordingly, the OAG does not find a violation of the OML.

2. The Board's descriptions on its January 16, 2020 meeting agenda for Agenda Item No. 8(D) failed to provide sufficient "clear and complete statements of topics to be considered."

An agenda for a meeting of a public body must include a "clear and complete statement of the topics to be considered during the meeting." NRS 241.020(2)(d)(1). The "clear and complete statement" requirement of the OML stems from the Legislature's belief that "incomplete and poorly written agendas deprive citizens of their right to take part in government' and interferes with the 'press' ability to report the actions of government." Sandoval v. Bd. Of Regents of Univ., 119 Nev. 148, 154 (2003). Strict adherence with the "clear and complete" standard for agenda items is required for compliance under the OML.

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Id. The OML "seeks to give the public clear notice of the topics to be discussed at public meetings so that the public can attend a meeting when an issue of interest will be discussed." *Id.* at 155. The OAG previously explained:

Sandoval's holding means that use of catch-all phrases such as 'and all matters related thereto' do[] not comply with the statute's requirement that each agenda contain a clear and complete statement of topics. Related matters, should they come up during a meeting, must be agendized for discussion at a future meeting.

Op. Nev. Att'y Gen. No. 10-049 (December 17, 2010).

The OAG has also previously stated that public bodies should apply a reasonableness standard in determining whether an agenda item is clear and complete. Op. Nev. Att'y Gen. No. 79-8 (March 26, 1979); see also Nevada Open Meeting Law Manual, 12th Ed., January 2016, Updated March 26, 2019, §6.02. Under a reasonableness standard, "the degree of specificity that is reasonable for any particular agenda item will vary from item to item depending on the relevant circumstances." Op. Nev. Att'y Gen. No. 79-8 (March 26, 1979). Still, the OAG has also cautioned that the use of general or vague language as mere subterfuge should be avoided. Id. To assist in crafting a clear and complete agenda, the OAG has offered several guidelines to assist public bodies to ensure that an agenda item is clear and complete, including that "Agenda items must be described with clear and complete detail so that the public will receive notice in fact of what is to be discussed by the public body"; [a]lways keep in mind the purpose of the agenda is to give the public notice of what its government is going, has done, or may do"; and [a]n agenda must never be drafted with the intent of creating confusion or uncertainty as to the items to be considered or for the purpose of concealing any matter from public notice." Nevada Open Meeting Law Manual, 12th Ed., January 2016, Updated March 26, 2019, §6.02.

In the case at bar, the Board's January 16, 2020 Notice and Agenda delineated that they would consider and possibly approve "payment of legal fees for a confidential matter." While this description, on its face, alerted the public that the Board would be discussing expending funds for legal fees, the public, nor the Board members, were not apprised as to

how much legal fees were incurred, on whose behalf the legal fees were incurred, or for what specific matter the legal fees were incurred. The lack of clarity and completeness of Agenda Item 8(D) was further brought to light by Board President Steve Damonte, who at the meeting questioned, ". . . So we're, we're being asked to approve something that we know nothing about." Under a reasonableness standard, the agenda item at issue here is not considered proper, as at the least, it should include the board member's name, the amount of the legal fees incurred, and the matter in which the legal fees were incurred. The public was not made privy, by virtue of the Board's Public Notice of the January 16, 2020 meeting, specifically what was to be discussed by the public body.

The OAG is also mindful and gives credence to the general policy that the detail or description of work or tasks performed in attorney billing records is confidential. This is not to say, however, that the OAG finds that all information regarding counsel's work performed and billed as attorneys' fees is confidential; in fact, the number of hours an attorney spends on a particular matter is generally not confidential information.

Accordingly, the OAG finds that the Board's description for Agenda Item 8(D) did not meet the clear and complete rule.

3. The OAG does not find liability on the part of individual Board members for the OML violations.

The OML provides that generally, each member of a public body who attends a meeting of that public body where an OML violation occurs, has knowledge of the violation, and participates in the violation, is guilty of a misdemeanor. NRS 241.040(1). Such board member may also be subject to an administrative fine. NRS 241.040(4). However, the OML provides a safe harbor provision which provides that no criminal penalty or administrative fine may be imposed upon a member of a public body if a member of a public body violates a provision of the OML as a result of legal advice provided by an attorney employed or retained by the public body. NRS 241.040(6).

Here, while the OAG finds a violation of the OML has occurred, the OAG does not find liability on the part of individual Board members. Specifically, during the discussion

of Agenda Item 8D, the Board's counsel, Louis Ling, advised his clients that the Board had "a matter that is still confidential that's now resolved" and that because it was resolved in favor of the Board member, the matter would always be confidential. Mr. Ling advised his clients that Mr. Ling, the Board's counsel, asserted both in the Board's response to the instant OML Complaint as well as at the Board's January 16, 2020 meeting, that generally, the Board's counsel would have represented the individual in the confidential matter and the Board would have paid the attorneys' fees to its counsel without the need of a specific Board agenda item to approve the expense. Thus, it appears that the Board proceeded with Agenda Item 8(D) on the advice of its counsel. Accordingly, the OAG does not find personal liability on the part of any individual Board member.

4. The remaining concerns raised by Dr. Handal are not within the jurisdiction of the OAG under the OML, and therefore, the OAG will refrain from providing any opinions regarding the same.

Dr. Handal's Complaint further seeks the OAG's opinion regarding the following topics:

ALLEGATION NO. 1: Whether a professional board may vote on an agenda item when no explanation or supporting documentation is provided to them either written or verbally?

ALLEGATION NO. 2: Whether Board members acted with due diligence in voting on an agenda item without being provided any information to make an informed decision, and whether such action constitutes abdication of their responsibilities to the people of the State?

ALLEGATION NO. 3: Whether the public may learn if funds approved by the Board were in fact used for the specific purpose mentioned during Board action?

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ALLEGATION NO. 5: Whether there was a violation of NRS 281.611(1)(c) [abuse of authority] or NRS 281.611(1)(e)(A) [gross waste of public money]?

may be filed with the Office of the Attorney General. Moreover, NRS 241.039(2) provides that the Attorney General "shall investigate and prosecute any violation of **this chapter**". NRS 241.039(2) (emphasis added). On its face, NRS 241.039 only allows the OAG to investigate and prosecute complaints under NRS Chapter 241. Dr. Handal's request that the OAG perform an investigation on the acceptable procedures for voting, due diligence, 2 use of funds, insurance coverage, and alleged violations of NRS Chapter 281 are not based on alleged violations of NRS Chapter 241, Nevada's Open Meeting Laws. The OAG only has statutory authority to investigate and prosecute alleged violations under NRS 241 and therefore will abstain from making a determination on the same.

NRS 241.039(1) provides that a complaint alleging a violation of NRS Chapter 241

5. The OAG will forego bringing a lawsuit based on this Complaint.

NRS 241.037 confers upon the OAG the power bring suit "in any court of competent jurisdiction to have an action taken by a public body declared void or for an injunction against any public body or person to require compliance with or prevent violations of [NRS 241]." NRS 241.037(1).

Here, after receiving the Board's initial response to Ms. Handal's OML Complaint, the OAG received a supplemental response from the Board, indicating that the at-issue agenda item and presentation of the matter to the Board at the January 16, 2020 meeting was based upon Board staff's understanding that the law applicable to the Board member required confidentiality as a matter of law. Based on that interpretation, the Board asserted that it could not identify the name of the Board member or the law that it understood to be at issue in the underlying complaint. However, the Board's supplemental response indicated that the Board's staff was incorrect in its interpretation of the confidentiality provisions at play in the underlying complaint and that the proceeding for which the Board voted to reimburse the Board member on January 16, 2020 was a matter

² The OAG has previously stated that the OML does not allow the OAG to second guess decisions or actions by public bodies even if the decision might have been improvident. Nevada Open Meeting Law Manual, 12th Ed., January 2016, Updated March 26, 2019, §6.02; AG File No. 09-044 (December 17, 2009).

of public record. Further, in its supplemental response, the Board has indicated that it and its staff are ready to have the Board address the matter again at an upcoming public meeting.

Accordingly, given the aforementioned findings of a violation of the OML by the Board, the OAG directs the Board to correct the OML violation at its upcoming Board meeting. The Board must, in correcting the violation, include an item on its agenda posted for the meeting at which the public body intends to take correct action, pursuant to NRS 241.0365.

If the Attorney General investigates a potential OML violation and makes findings of fact and conclusions of law that a public body has taken action in violation of the OML, "the public body must include an item on the next agenda posted for a meeting of the public body which acknowledges the findings of fact and conclusions of law." NRS 241.0395. The public body must treat the opinion of the Attorney General as supporting material for the agenda item(s) in question for the purpose of NRS 241.020. Id. Accordingly, the Board must also place an item on its next meeting agenda in which they acknowledge the present Findings of Fact and Conclusions of Law ("Opinion") resulting from the OAG investigating in this matter. The Board must also include the OAG Opinion in the supporting materials for its next meeting.

SUMMARY

Upon investigating the present Complaint, the OAG makes findings of fact and conclusions of law that the Nevada State Board of Veterinary Medical Examiners violated the OML by failing to comply with the "clear and complete statement" requirement for its January 16, 2020 Board meeting, as set forth above.

Dated: January 8, 2021.

AARON FORD Attorney General

By: /s/ Justin R. Taruc Justin R. Taruc Deputy Attorney General

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CERTIFICATE OF SERVICE 1 I hereby certify that on the 5th day of October, 2020, I served the foregoing 2FINDINGS OF FACT AND CONCLUSIONS OF LAW by depositing a copy of the 3 same in the United States mail, properly addressed, postage prepaid, CERTIFIED MAIL 4 addressed as follows: 5 6 Nevada State Board of Veterinary **Medical Examiners** 7 4600 Kietzke Lane, Bldg. O, #265 8 Reno, NV 89502 9 Certified Mail No.: 7019 0160 0000 0498 4472 10 Patricia Handal 11 12 Certified Mail No.: 13 14 Kristin Geddes, Esq. 15 The Geddes Law Firm, P.C. 1575 Delucchi Lane, Suite 206 16 Reno, Nevada 89502 17 Counsel for Patricia Handal 18 Certified Mail No.: 7019 0160 0000 0498 4496 19 20 21 /s/ Debra Turman 22 An employee of the Office of the Nevada Attorney General 23 24 25 26 27