



ETHICS LAW BASICS

BOARDS & COMMISSION



ROADMAP

- Why Ethics Matter
- What We Do
- Who and What is Covered
- Key Areas of the Law
 - Improper Benefits
 - Disclosure & Abstention
 - Cooling Off
- Resources & Contacts



WHY AN ETHICS LAW?

- Watergate Scandal Triggered Enactment of Government Ethics Laws
 - Federal Ethics in Government Act (1978)
 - Nevada Ethics Law (1975)



STAY ON THE PATH



“A public office is a public trust and shall be held for the sole benefit of the people”

NRS 281A.020

WHY DOES ETHICS MATTER?



Dissolves Trust in
Government

Undermines Efforts of Public
Servants



THE NEVADA COMMISSION ON ETHICS – NRS 281A

Commissioners are prohibited from:

- Serving more than two consecutive, 4-year terms
- Holding another public office
- Being actively involved in the work of any political party or campaign
- Lobbying

*Make-up of the Commission:

- No more than 4 members can be from the same political party or reside in the same county.
- 2 must be licensed Nevada Attorneys.
- 4 Commissioner appointments must be former public officers/employees.





MAJOR FUNCTIONS OF THE COMMISSION



Education and Outreach
about Nevada's Ethics Law



Provide Advisory Opinions to
public officers and
employees about Nevada's
Ethics Law



Receive and process
Complaints alleging
violations of Nevada's Ethics
Law

Prevention

Enforcement

WHAT FALLS UNDER THE JURISDICTION OF THE ETHICS COMMISSION?

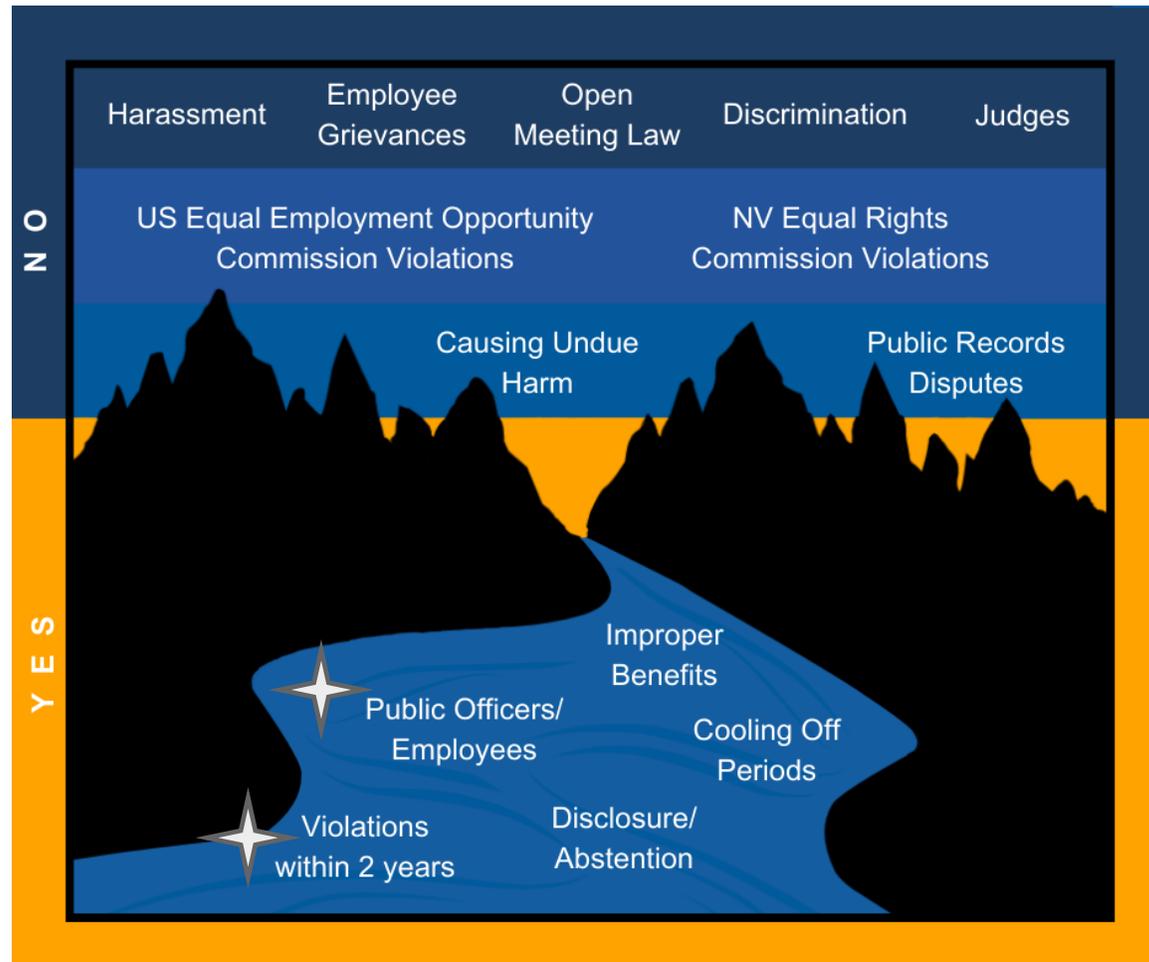


Image developed by the Nevada Commission on Ethics using Canva™.



COMMITMENT IN A PRIVATE CAPACITY - NRS 281A.065



Spouse / Domestic Partner



Member of Household



3rd Degree of
Consanguinity / Affinity



Employer



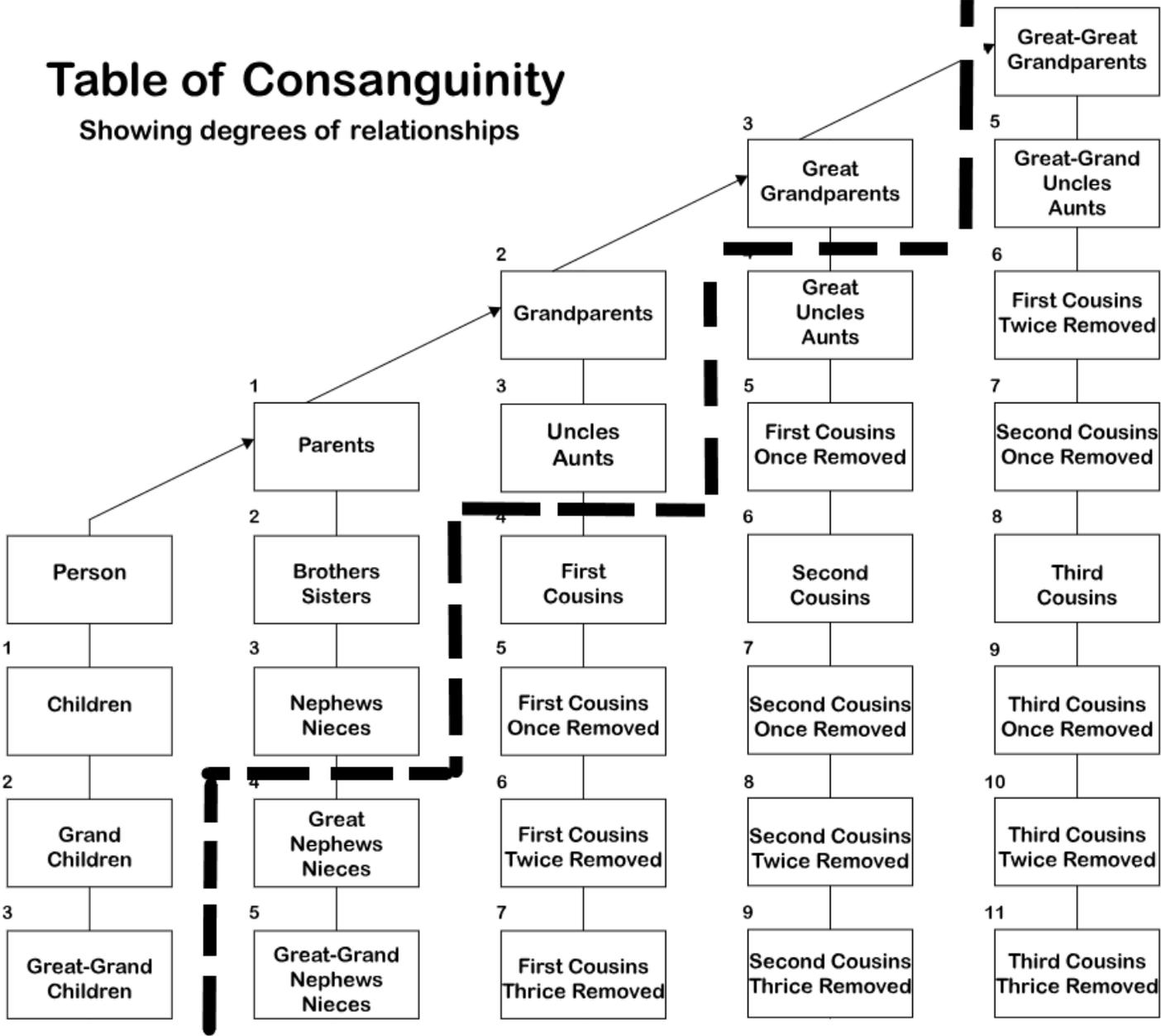
Substantial and Continuing
Business Relationship



Substantially Similar

Table of Consanguinity

Showing degrees of relationships





COMMITMENT IN A PRIVATE CAPACITY - NRS 281A.065



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Substantially Similar



3 MAIN AREAS OF THE ETHICS LAW



IMPROPER BENEFIT – GOVERNMENT RESOURCES



Use Government Position

Benefit/Gift/Loan

For Themselves or someone on their
magical list of relationships



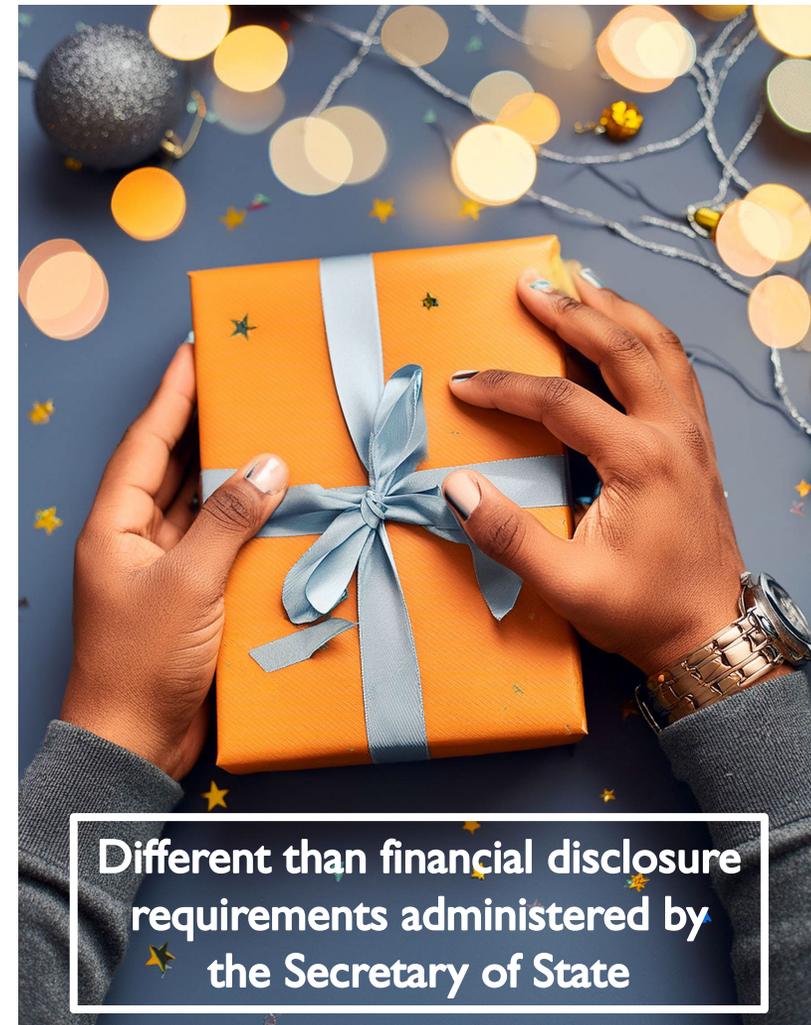
IMPROPER BENEFIT - GIFTS

- No gifts, services, favors, or engagements that “tend improperly to influence a reasonable person to depart from the faithful and impartial discharge of duties”

NRS 281A.400(1)

Facts to Consider

1. Value of the Gift
2. Nexus between the “gifter” and “giftee’s” decision



Different than financial disclosure requirements administered by the Secretary of State

IMPROPER BENEFIT - GIFTS

Case Examples

1. *In re Lopez* – Coach purse, lunches (violation, \$1,000 fine)
2. *In re McClinton* – Vegas Golden Knights tickets & party (violation \$1,000 fine)
3. *City of Reno* (advisory opinion) – annual passes to the movies
4. *In re Brown* (advisory opinion) – discounted conference ticket not a violation because conference closely related to public duties



IMPROPER BENEFIT – GOVERNMENT RESOURCES

- Unwarranted privileges, preferences, exemptions or advantages using position (NRS 281A.400(2))
- No salary or compensation from private source for performance of public duties NRS 281.400(4)
- Benefit to self or other using influence over a subordinate (NRS 281A.400(9))
- Honorarium for speaking (NRS 281A.510)

IMPROPER BENEFIT – CONTRACTING

- Negotiating a contract with self or for others with current agency (NRS 281A.400(3))
- Contracting with any other government agency (NRS 281A.430)
 - Is the contract exempt?
 - Should relief be granted?

IMPROPER BENEFIT – CASE EXAMPLES

- *In re Juden*, Negotiated post-employment contract with current agency while still employed (violation)
- *In re Augustine*, Staff used for campaign work (envelopes, etc)
- *In re Allan*, County Commissioner influenced County Manager to issue settlement payments to her ex-spouse
- *In re Cooper*, Massage Board Executive Director used position to pay herself extra paychecks



IMPROPER BENEFIT – GOVERNMENT RESOURCES

- Use of government time, property, equipment, or other facility to benefit a significant personal or pecuniary interest. NRS 281A.400(7)





IMPROPER BENEFIT – GOVERNMENT RESOURCES

Limited Use Exception (Property, Equipment, Facility) NRS 281A.400(7)(a)

Properly authorized by policy allowing the use or if use is result of an emergency

Use does not interfere with performance of public officer/employee's public duties

Cost of value related to the use is nominal

Does not create the appearance of impropriety

**All 4 conditions must
be met together**



IMPROPER BENEFIT – CASE EXAMPLES

- *In re Cochran*, Fire Chief used uniform and trucks in video endorsing a Senator
- *In re Hall*, County Commissioner used country credit card to purchase food & booze for her business
- *In re Prudhont*, County Treasurer using county computer/time to take college courses



DISCLOSURE & ABSTENTION



“Government ought to be outside and not inside...Everybody knows that corruption thrives in secret places, and avoids public places, and we believe it a fair presumption that secrecy means impropriety”

President Woodrow Wilson

DISCLOSURE & ABSTENTION

Before approving, voting, or acting on a matter when

- Gift or loan accepted
- Significant pecuniary interest
- Reasonably affected by commitment in private capacity
- Former lobbying

NRS 281A.420



COMMITMENT IN A PRIVATE CAPACITY - NRS 281A.065



Spouse / Domestic Partner



Member of Household



3rd Degree of
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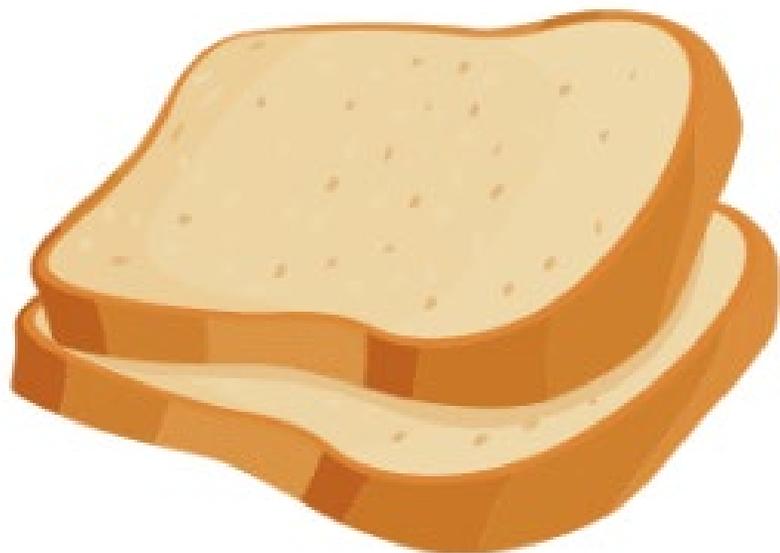
Substantial and Continuing
Business Relationship



Substantially Similar



QUALITY DISCLOSURE – DETAILED AND TIMELY



- “Sufficient to inform the public of the potential effect of the action or abstention upon the person or interest”

AND

- “Made at the time the matter is considered”

DISCLOSURE & ABSTENTION

- A Public Officer shall not vote upon or advocate for the passage or failure of a matter
- A Public Officer shall not make decisions or act upon
 - If Independence of judgment of a reasonable person affected by
 - own pecuniary (\$) interest,
 - commitment in a private capacity,
 - gift or loan



DISCLOSURE & ABSTENTION



Presumption in NRS 281A.420



- Favors participation
- Abstention required in clear cases where the public officer's situation is materially affected
- Presumed permissible if no greater benefit/detriment to officer than to anyone else affected by the matter

Case by Case Basis
Item by Item Basis

DISCLOSURE & ABSTENTION



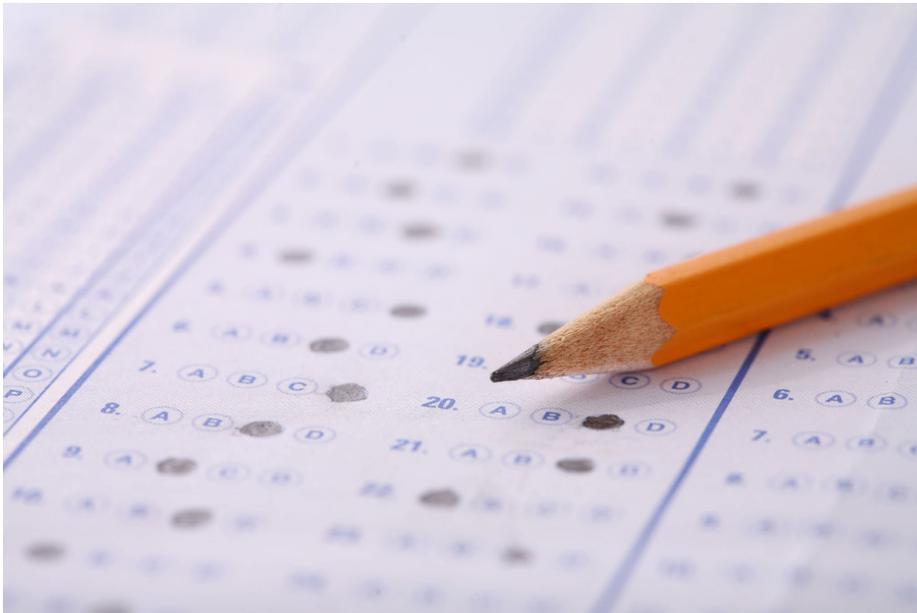
In re Public Officer, Comm'n Op. No. 23-094A
(2023)



Board member who worked for a company regulated by the Board.

- Disclosure requirements
- Abstention requirements
 - General industry discussions
 - Changes to regulations
 - Specific action related to employer

DISCLOSURE & ABSTENTION



Test Cases

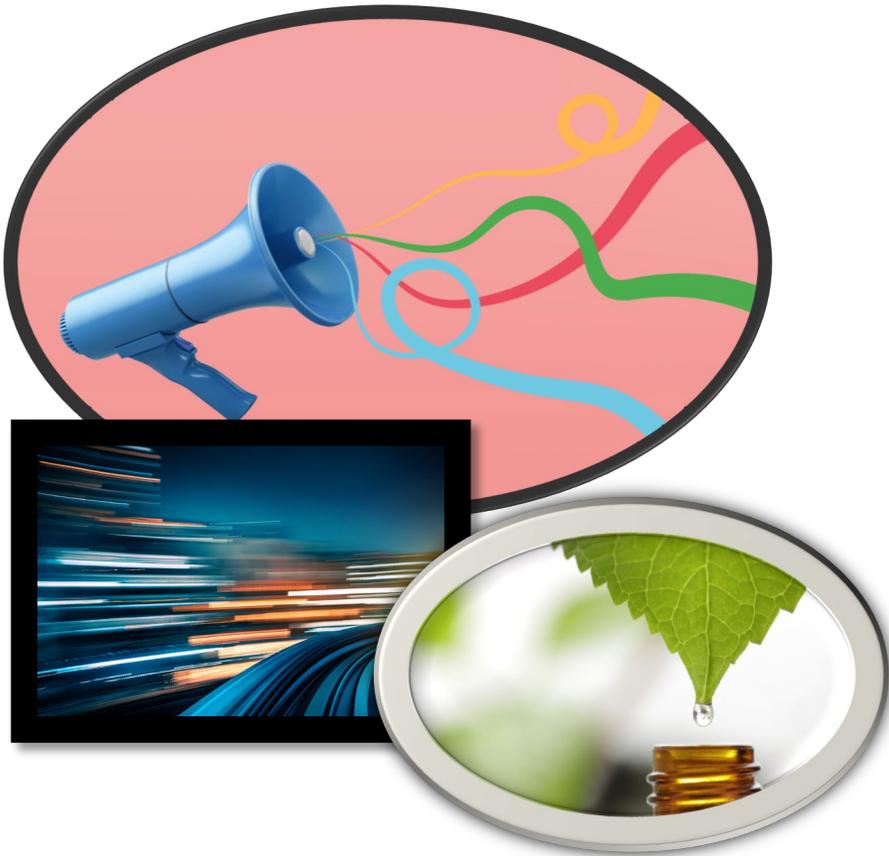
- Licensing Board member
 - Friend from high school is before the board for disciplinary action
- Director of Commission
 - Uncle is regulated by the commission and has to pay an annual fee, Director proposing to the Commission fee changes
- Board Member employed by Company A
 - Company A is applying to the board for a decision on expanded service

DISCLOSURE & ABSTENTION



Case Examples

- *In re Ramos*, did not disclose or abstain while processing invoices for his sister-in-law
- *In re Green*, did not disclose or abstain from advocating for vote to pay himself \$15,000
- *In re Ancho* (advisory), disclosure required when considering item on changing county retiree benefits.
- *In re Gibson, et al*, disclosure required when gift of sporting events tickers received and later voted on matters relating to gift giver





COOLING
OFF

COOLING OFF

- One-year cooling off period to seek or accept employment
- Vendors of the agency
- Private regulated business/industry (State Only)
- Private counseling or lobbying former agency

Relief can be granted



1. Contract awarded exceeded \$25,000;
2. Awarded in the 12-months before you left
3. You could have affected or influenced who was awarded the contract.

Exceptions for licenses professions

NRS 281.410 and .550



WILLFULNESS FINDING & PENALTIES

Willful

Civil Penalties Up to \$5k, \$10k, or \$25k
Petition to Removal a Public Officer

Non-Willful

Ethics Training
Mandated Apology
Admonishment
Payback Financial Benefit
Conditions on Future Behavior

No Violation

Letter of Caution/Instruction



TIPS AND BEST PRACTICES



1. Maintain a list of individuals or entities to which you have a “commitment in a private capacity”
2. Familiarize yourself on your local/agency policies.
3. Be proactive to identify potential conflicts of interest as early as possible
4. If you are unsure, it is better to disclose than not disclose.
5. Consult with legal counsel who can search prior opinions
6. Request an advisory opinion



ETHICS RESOURCES



- [Subscribe to our Newsletter](#)



- [Request Live In-Person or Virtual Ethics Training](#)



- [Register for our Online, Self-Paced Ethics Training](#)



- [See our Recent Press Releases](#)



- Website: ethics.nv.gov



Follow us on **LinkedIn & X**

Review the new Ethics Manual

State of Nevada Ethics Manual
Disclosure & Abstention

Updated 10/2021

Disclosure Decision Tree

Are you being asked to take government action (vote, work assignment, etc)?

Yes

Would a reasonable person in your position be influenced by

- 1) your own financial interests
- 2) the interests of someone you have a commitment in a private capacity to or
- 3) a gift or a loan your received

State of Nevada Ethics Manual
Commitment in a Private Capacity

Updated 10/2021

Compliance Tips

1. Create a list for yourself of all your commitments in a private capacity.
2. Schedule a reminder to check and update the list twice a year.

Sample Advisory Opinions

- Public Officer Conflict of Interest with the Officer's Public Employment and their Jointly Owned Private Business - [In re Public Officer, Comm'n Op. No. 20-011A \(2020\)](#)
- Public Officer Conflict of Interest with the Officer's Public Employment and Private Employment - [In re Public Officer, Comm'n Op. No. 21-002A \(2021\)](#)
- Public Officer Conflict of Interest with Hiring the Officer's Sibling-in-Law - [In re Public Officer, Comm'n Op. No. 10-35A \(2011\)](#)

Video Resources

- [Commitment in a Private Capacity On-Demand Online Lesson](#)
- [Understanding Commitment in a Private Capacity 10 min Video](#)

CONTACT INFO



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Special thanks to Susan Willeke of the Ohio Ethics Commission for media clips



FEEDBACK