SENATE BILL NO. 330–SENATOR ROBERSON

MARCH 20, 2017

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Enacts the Right to Earn a Living Act. (BDR 54-849)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

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

AN ACT relating to professional licensing; establishing certain standards against which governmental entities and regulatory bodies are required to review regulations relating to entry into businesses and professions and certain restrictions on the provision of public services; authorizing a natural person to petition a governmental entity or regulatory body to request the amendment or repeal of such regulations; authorizing a natural person to appeal a denial of such a petition to the district court; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law contains various licensing requirements and other regulations on natural persons who engage in certain occupations within this State. (Title 54 of NRS, chapters 1, 7, 76, 90, 116A, 119A, 122, 159, 240, 240A, 361, 394, 435, 445B, 449, 450B, 453A, 455C, 457, 458, 463, 466, 467, 477, 482, 483, 487, 489, 490, 503, 504, 505, 534, 544, 555, 576, 581, 582, 584, 587, 599A, 599B, 618, 683A, 683C, 684A, 684B, 685A, 686B, 689, 692A, 692B, 695J, 696A, 697, 706 and 706A of NRS) This bill enacts the Right to Earn a Living Act.
Sections 9 and 10 of this bill require entry regulations and public service restrictions to be demonstrably necessary and carefully tailored to fulfill legitimate

8 Sections 9 and 10 of this bill require entry regulations and public service 9 restrictions to be demonstrably necessary and carefully tailored to fulfill legitimate 10 public health, safety or welfare objectives. Sections 4 and 6 of this bill define the 11 terms "entry regulation" and "public service restriction" for those purposes.

Sections 11 and 12 of this bill authorize a natural person to: (1) petition a governmental entity or regulatory body to request the amendment or repeal of entry regulations or public service restrictions to bring those regulations into compliance with the standards set forth in sections 9 and 10; and (2) appeal a denial of such a petition to the district court.





17 Section 13 of this bill provides that, in the event of a conflict between this bill 18 and certain entry regulations or public service restrictions within existing law, the 19 provisions of this bill will control.

Section 14 of this bill requires each governmental entity and regulatory body to, on or before October 1, 2018: (1) review entry regulations within the jurisdiction of the governmental entity or regulatory body; and (2) amend or repeal the entry regulations, as necessary, to bring such regulations into compliance with the standard set forth in section 9. Section 14 also requires a governmental entity and regulatory body to submit, on or before January 1, 2019, a report concerning its review of the entry regulations to the Director of the Legislative Counsel Bureau for transmittal to the Nevada Legislature.

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

1 Section 1. Chapter 622 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 provisions of sections 2 to 13, inclusive, of this 5 act may be cited as the Right to Earn a Living Act.

6 Sec. 3. As used in sections 2 to 13, inclusive, of this act, 7 unless the context otherwise requires, the words and terms defined 8 in sections 4 to 7, inclusive, of this act have the meanings ascribed 9 to them in those sections.

Sec. 4. "Entry regulation" means a law, statute, ordinance,
rule, practice, policy, fee, condition, examination or other
provision regulating the entry of a business into a particular
market or of a natural person into a profession or occupation.
Sec. 5. "Governmental entity" means any agency of this

14 Sec. 5. "Governmental entity" means any agency of this 15 State, a local government as defined in NRS 278B.070 or any 16 other political subdivision of this State or an agency thereof.

17 Sec. 6. 1. "Public service restriction" means a law, statute, 18 ordinance, rule, practice, policy, fee, condition, examination or 19 other provision, the effect of which is to exclude or limit the 20 provision of a public service, with or without the support of a 21 public subsidy.

22 2. As used in this section, "subsidy" includes, without 23 limitation, taxes, grants, user fees or any other money received by 24 or on behalf of a governmental agency or regulatory body.

25 Sec. 7. "Welfare" means the protection of members of the 26 public against fraud or harm. The term does not include the 27 protection of existing businesses or agencies, whether publicly or 28 privately owned, against competition.

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Sec. 8. The Legislature hereby finds and declares that:





1 1. The right of a natural person to pursue a chosen business or profession, free from arbitrary or excessive governmental 2 3 interference, is a fundamental right.

4 2. The freedom to earn an honest living has traditionally 5 provided the surest means for economic mobility.

3. In recent years, many entry regulations have exceeded 6 legitimate public purposes and have had the effect of arbitrarily 7 8 *limiting entry and reducing competition.*

The burden of excessive regulation is borne most heavily 9 4. 10 by natural persons outside the economic mainstream, for whom opportunities for economic advancement are curtailed. 11

It is in the public interest: 5.

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13 (a) To ensure the right of all natural persons to pursue 14 legitimate entrepreneurial and professional opportunities to the 15 limits of their talent and ambition:

(b) To provide the means for the vindication of this right; and

17 (c) To ensure that entry regulations are demonstrably necessary and carefully tailored to legitimate public health, safety 18 19 and welfare objectives.

20 **Sec. 9.** All entry regulations must be demonstrably necessary and carefully tailored to fulfill legitimate public health, safety or 21 22 welfare objectives.

23 **Sec. 10.** All public service restrictions must be demonstrably necessary and carefully tailored to fulfill legitimate public health, 24 25 safety or welfare objectives.

natural person may petition 26 Sec. 11. *I. Anv* anv 27 governmental entity or regulatory body requesting the amendment 28 or repeal of:

29 (a) An entry regulation within the jurisdiction of the 30 governmental entity or regulatory body; or

(b) A public service restriction within the jurisdiction of the 31 32 governmental entity or regulatory body.

2. The governmental entity or regulatory body shall issue its 33 determination in response to a petition submitted pursuant to 34 subsection 1 within 90 days after receiving such a petition. The 35 determination must be in writing and include: 36 37

(a) With regard to an entry regulation:

(1) If the governmental entity or regulatory body denies the 38 petition, the basis upon which the governmental entity or 39 regulatory body concludes that the entry regulation conforms with 40 the standard set forth in section 9 of this act; or 41

(2) The decision of the governmental entity or regulatory 42 43 body to amend or repeal the entry regulation to achieve the 44 standard set forth in section 9 of this act; or





1 (b) With regard to a public service restriction, if the 2 governmental entity or regulatory body denies the petition, the 3 basis upon which the governmental entity or regulatory body 4 concludes that the public service restriction conforms with the 5 standard set forth in section 10 of this act.

6 Sec. 12. 1. A natural person may appeal a determination 7 on a petition described in subparagraph (1) of paragraph (a) of 8 subsection 2 of section 11 of this act or paragraph (b) of 9 subsection 2 of section 11 of this act to the district court without 10 regard to the exhaustion of administrative remedies.

11 2. A plaintiff prevails in a challenge of a determination 12 concerning an entry regulation if the court finds by a 13 preponderance of the evidence that the entry regulation on its face 14 or in its effect burdens the creation of a business, the entry of a 15 business into a particular market or entry into a profession or 16 occupation and:

(a) That the entry regulation is not demonstrably necessary
and carefully tailored to fulfill legitimate public health, safety or
welfare objectives; or

20 (b) Where the entry regulation is necessary to the legitimate 21 public health, safety or welfare objectives, such objectives can be 22 effectively served by regulations less burdensome to economic 23 opportunity.

24 3. A plaintiff prevails in a challenge of a determination 25 concerning a public service restriction if the court finds by a 26 preponderance of the evidence that on its face or in its effect 27 either:

(a) That the public service restriction is not demonstrably
 necessary and carefully tailored to fulfill legitimate public health,
 safety or welfare objectives; or

(b) Where the public service restriction is necessary to fulfill
legitimate public health, safety or welfare objectives, such
objectives can be effectively served by restrictions that allow more
private participation.

35 4. Upon a finding for the plaintiff, the court shall enjoin 36 further enforcement of the entry regulation or public service 37 restriction and shall award reasonable attorney's fees and costs to 38 the plaintiff.

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 Sec. 13.
 1.
 The enforcement of any provision of chapters 1,

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 7, 76, 90, 116A, 119A, 122, 159, 240, 240A, 361, 394, 435, 445B,

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 449, 450B, 453A, 455C, 457, 458, 463, 466, 467, 477, 482, 483,

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 487, 489, 490, 503, 504, 505, 534, 544, 555, 576, 581, 582, 584,

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 587, 599A, 599B, 618, 622A to 628B, inclusive, 630 to 649,

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 inclusive, 652 to 656A, inclusive, 683A, 683C, 684A, 684B, 685A,

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 686B, 689, 692A, 692B, 695J, 696A, 697, 706 and 706A of NRS





1 are subject to the provisions of sections 2 to 12, inclusive, of this 2 act.

2. In the event that any provision of a chapter set forth in
subsection 1 conflicts with a provision of sections 2 to 12,
inclusive, of this act, that provision of sections 2 to 12, inclusive,
of this act controls.

7 Sec. 14. 1. On or before October 1, 2018, every 8 governmental entity and regulatory body shall conduct a 9 comprehensive review of all entry regulations within their 10 jurisdictions and for each such entry regulation the governmental 11 entity or regulatory body must:

(a) Articulate with specificity the public health, safety or welfareobjective served by the regulation; and

14 (b) Articulate the reason why the regulation is necessary to 15 service the specified objective.

16 2. If a governmental entity or regulatory body finds during its 17 review pursuant to subsection 1 that an entry regulation does not 18 conform to the standard set forth in section 9 of this act, the 19 governmental entity or regulatory body shall:

20 (a) Repeal the entry regulation or amend the entry regulation to 21 conform with the standard set forth in section 9 of this act if those 22 actions are within the authority of the governmental entity or 23 regulatory body; or

(b) Recommend to the Nevada Legislature any legislation necessary to repeal or amend the entry regulation to conform with the standard set forth in section 9 of this act if those actions are not within the authority of the governmental entity or regulatory body.

3. On or before January 1, 2019, every governmental entity and regulatory body shall submit a report to the Director of the Legislative Counsel Bureau for transmittal to the Nevada Legislature. The report must include, without limitation:

(a) A summary of each action taken by the governmental entity
 or regulatory body to conform with this section; and

(b) Any recommendations for legislation necessary to carry outthe provisions of subsection 2.

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4. As used in this section:

(a) "Entry regulation" has the meaning ascribed to it in section 4of this act.

(b) "Governmental entity" has the meaning ascribed to it insection 5 of this act.

41 (c) "Regulatory body" has the meaning ascribed to it in 42 NRS 622.060.

43 (d) "Welfare" has the meaning ascribed to it in section 7 of this 44 act.





1 Sec. 15. The provisions of subsection 1 of NRS 218D.380 do 2 not apply to any provision of this act which adds or revises a 3 requirement to submit a report to the Legislature.



